

Country 'at risk from anthrax'

Protesters who claim to have taken soil infected with potentially lethal anthrax spores from an uninhabited Scottish island were accused by Mr Hamish Gray, Minister of State for Energy, of placing the country at risk. He made his accusation after the discovery of a package of supposedly infected soil at the Chemical Defence Establishment at Porton Down, Wiltshire. Defence centres were placed on alert. Back page

France turns to fighting inflation

The French Socialist Government has decided that it must make the fight against inflation a mainstay of its programme, together with its proclaimed war against unemployment. Otherwise, officials say, the social benefits of its policies will be dissipated by dwindling purchasing power of the franc. Page 4

Ballesteros wins matchplay title

Severiano Ballesteros, of Spain, won one of the few important titles to have eluded him when he took the Sunbury matchplay championship at Westworth, Berkshire, on Sunday. He beat the United States, on the last hole after a fluctuating match. Page 18

Election attack on alliance

The Labour and Conservative parties launched pamphlet attacks on the Liberal-SDP Alliance in the Croydon by-election. The alliance responded with a leaflet and claimed to have canvassed more than 30 per cent of the electorate of 55,000 in a weekend of intensive campaigning. Page 2

Warsaw to work with Solidarity

The Polish Government proposes establishing a permanent commission with trade unions, including Solidarity, to work out ways to improve the economic situation. The Communist Party newspaper called for national agreement and touched on the possibility of coalition government. Page 4

Prison death inquiry call

A prison watchdog body has called for a government inquiry into the death in jail of Mr Barry Prater. The Association of Members of Boards of Visitors wants such an inquiry to have powers to break "the apparent wall of silence". Back page

Greek left wants warheads out

Greece's left-wing opposition intends to have all nuclear warheads stored in the country removed if it wins next Sunday's general elections. Mr Andreas Papandreu, its leader, is confident he can establish a nuclear-free zone in the Balkans within six months. Page 3

Unions' threat to London councils

Union leaders of manual workers employed by London local authorities are preparing to start industrial action in the capital if the employers offer their members a pay rise of only 4 per cent. The unions are presenting a 12 per cent claim tomorrow. Page 2

Iranian children 'executed'

Nearly a hundred children wounded in recent demonstrations in Tehran were taken from their hospital beds to Evin jail and executed by firing squad, left-wing Mujahedeen opponents of Ayatollah Khomeini claimed in Paris.

Leader page, 7.
Letters: On party loyalty, from Mr Geoffrey Rippon, QC, MP, and others; Countryside Bill, from the chairman of the Countryside Commission, and Dr A. S. Thomas.

Leading articles: De Lorean; Greek elections.

Features, pages 5, 6.
Henry Kissinger recalls personal memories of President Sadat; Roy Mason, former Secretary of State for Northern Ireland, emphasises the importance of the De Lorean project he helped to establish; David Blake assesses living standards under the Tories.

Obituary, page 8.
Elisabeth Samuel, Professor D. W. Rees.

International airports: Three-page Special Report on the places people love to hate 15-17.

Home News 2, 3
Premiums Eds 26
Overseas 2, 4
Property 23
Arts 8, 12
Religion 8
Business 10-14
Sport 18-21
Court 26
Crossword 26
Theatre, etc. 25
Drama 6
25 Years Ago 8
Facts 26
Weather 8
Law Report 26
Lucie cartoon 26

Thatcher firm in face of mounting Tory unrest

By Philip Webster, Political Reporter

Mrs Margaret Thatcher will offer her critics no obvious signs of a change of course in the Government's economic strategy when she makes what many MPs consider will be the most important speech of her life at the Conservative Party conference in Blackpool on Friday.

As public expressions of opposition to her policies mounted over the weekend, Mrs Thatcher will deliver what amounted to an open call to the party to rebel, the Prime Minister's determination to stand firm was made plain when her chief lieutenant, Sir Geoffrey Howe, said in a television interview: "We have to hang on to the course we are following. It is delivering results and will go on doing so if we can stick to it."

But the onslaught continues. Another group of Conservative MPs plan tomorrow, the first day of the conference, to make a public statement calling for more pragmatic economic policies. Today Mrs Thatcher is told by the influential Bow Group that the Government has utterly mismanaged its public image. The MPs, none of whom belongs to the 1979 intake, are to make their statement because they feel that the time for private protest is over. They will argue that after two and a half years of Conservative government all its natural supporters have been disillusioned. They will give a warning that unless there are changes in the Government's economic stance, electoral defeat could follow.

The Prime Minister spent Saturday and much of yesterday at Chequers working on Friday's speech. One of her main considerations was a report on the state of morale in the constituency assembled by Mr Michael Jopling, the chief whip.

The message was two-edged. The conversations reflected deep anxiety about the high level of unemployment and rising interest rates, but little personal support was expressed for Mr Heath, the chief exponent of an alternative strategy.

Indeed, many Conservatives critical of the Government now regard Mr Heath's intervention as less than helpful. They fear that the public see in them a degree of personal animosity towards Mrs Thatcher and the MPs are understandably reluctant to become involved in his campaign, although they are in agreement with much of what he says. Suggestions that MPs were being subjected to "loyalty tests" were described in Government circles as rubbish and not borne out by several MPs' comments.

Attorney General to clear De Lorean

By Philip Robinson and Craig Seton

Mr John De Lorean, American founder of the newly launched sports car company, gave a warning in London last night that the current allegations of financial irregularities could break the company. In an interview with *The Times* he maintained that the group had been the subject of an organised campaign to destroy it. Sir Michael Havers, the Attorney General, is expected to make a statement today, after police inquiries, which clears Mr De Lorean of any impropriety. But Mr Nicholas Winter, the Conservative MP for Macclesfield, who brought the allegations to the attention of the Prime Minister, threatened to use his position of legal privilege in the Commons to pursue the matter. "I believe the Attorney General's statement could well be a whitewash."

In New York yesterday *The Times* spoke with Mr William Haddad, a former employee who also stoked the controversy last week. He denied he was a party to a conspiracy against De Lorean. He wanted the company to succeed, he said.

Mr De Lorean, a 57-year-old former vice-president of General Motors, spoke of what appeared to be "an organized attempt to destroy this company" and that the allegations, which he totally refused, had come just as the company was beginning to demonstrate that it could succeed. His plan had been the only one to be attacked during the hunger strike protests in Ulster. "There is a lot here I do not understand."

Mr De Lorean went into details about the damage he feared had already been caused. One of the 345 American dealers handling the \$25,000 gull-wing sports car had canceled an order for 2,500. The publicity had come when he was seeking fresh cash to build on his success. He said: "If we cannot overcome the damage done by this scurrilous and scandalous publicity we shall have to finance externally or ask the Government for help or we shall have to close."

acted by *The Times*, none of whom had heard from the whip over the weekend.

Sir Geoffrey Howe, interviewed on London Weekend Television's *Weekend World*, was in a typically cautious mood and gave no hint of being able to offer much balm to the worried delegates in Blackpool this week.

But in admitting that he might have to increase taxes in the near Budget, the Chancellor would at least have satisfied the Bow Group, who in their open letter to the Prime Minister today advocate such a course in order to reduce government borrowing and interest rates.

The Chancellor would not predict the future pattern of interest rates but said that everyone hoped they would come down.

The Government, he said, would win the next election by sticking to its strategy. In another broadcast at Mr Heath and others he added: "The course would be to get a great deal faster and the good news would arrive a great deal sooner if some of the energy being devoted to persuading me to follow the wrong policies were instead being devoted to persuading the people to understand the importance of the right policies."

Mr Heath, who hopes to speak in the conference debate on economic policy on Wednesday, made his latest and strongest attack in a speech to the Greater London Tory Reform Group on Saturday. He said the future of the party was at stake and called on others to join him in saving the party and not be deceived by accusations of being wet, gutless or disloyal.

In his letter to the Prime Minister Mr Nigel Devereux, chairman of the Bow Group, writing in a personal capacity, asks the Government to fund its borrowing by a short-term increase in personal taxation, while allowing interest rates to fall. "A group of long-term radical economists today joins the rising chorus of demand for the Government to refinance the economy with a £5,000m boost to output and employment (our *Business News* Staff writes). But it wants the refinance to depend on unions moderating pay claims."

The group, chaired by Professor Robin Matthews, Master of Clare College, Cambridge, and including Sir Alec Cairncross, an economic adviser to an earlier Conservative Government, as well as three other former economic advisers, governments, advanced its argument in the latest *Midland Bank Review*.

Business News, page 11



Mr Haddad: His memo started the row

Mr De Lorean is negotiating a \$40m (about £21m) loan with the Bank of America which expired in September and he is almost certain to ask the British Government to extend a guarantee on £14m, which should have expired in September, until next spring. The Government is unwilling to invest any new money.

In addition, the timing of plans to float the De Lorean Motor Company Ltd. formed to build De Lorean cars in Belfast as the De Lorean Motors Holding Company on the New York Stock Exchange to raise \$28m is being reviewed. Mr De Lorean said: "Our ability to raise public funds has been seriously injured and this has driven us back to the position we did not want to be put in. We either get it from the public or from the Government."

The allegations have two sources: Miss Marian Gibson, a former secretary, whose notes reached Mr Winter, and who has given ventilation to some of the charges, basically that Mr De Lorean had not invested what he promised. Continued on back page, col 6.



Mrs Thatcher comforting a victim in Westminster Hospital yesterday. She called the IRA callous brutes and told American IRA sympathizers: "See what they do with your money."

IRA nail bomb in London was detonated by remote control

By Stewart Tandler, Crime Reporter

A Provisional IRA bombing team numbering up to six men used a simple remote control system to blast an Army coach with a nail bomb outside Chelsea Barracks on Saturday, leaving an elderly woman dead and 40 other people injured.

While a civilian and a soldier were still recovering in the intensive care unit at Westminster Hospital yesterday, Scotland Yard warned that the bomb may be the first in a new IRA campaign in mainland Britain.

On Saturday, one of the IRA active service units waited and watched until the coach, carrying 23 Irish Guardsmen home from a two-day duty at the Tower of London, came abreast of the van holding the bomb and then detonated it.

Although the Provisionals have said the attack was against a military target, the bomber would have been civilians, including children, in the street.

He detonated the bomb using a "command wire" running 100 yards from his observation spot on the pavement in Ebury Bridge Road up through scaffolding and down to an ex-laundry van holding the bomb. Such remote control methods are common in Northern Ireland but have never been seen on the mainland.

Yesterday Commander Michael Richards, head of the anti-terrorist squad, described the attack and started by buying the van on September 17.

The white Commer van, registration EAN 780J, had been advertised in the *New Standard* for ten days when a stocky man with a gruff voice approached the vendor, who lives in east London.

The man paid the asking price of £450 and drove off an hour later.

Wire was run up scaffolding

The bombing has been linked with the end of the hunger strike, but that did not finish until October 3, some weeks after the van was bought.

However, on September 15, Mr James Prior took over as Secretary of State for Northern Ireland and there was already speculation that the strike could end.

On Friday night, the van was driven to a point in the street, beneath scaffolding which has covered two blocks of flats for months. At 8.30am on Saturday a young man, aged about 20,

side the perimeter of the barracks carrying rifles and walkie-talkie radios.

Provisional IRA attacks have not happened on the mainland since last winter. In December, a Territorial Army hall was damaged in west London by a car bomb and a few weeks later, an attempt was made to sabotage a gas works at Bromley-by-Bow. In January, military personnel at RAF Uxbridge prevented a bomb detonating and destroying part of the camp.

At the time the Provisionals warned that the bombs were a sample of things to come but although police believed an active service unit, with explosives, was hiding in London, there were no further attacks.

Yesterday, police were asked if Mr Gerard Tuite, who escaped from Brixton prison last December while awaiting trial on bombing charges, could be involved in Saturday's bomb. Commander Richards said it was not known if Mr Tuite had reappeared in London.

Two weeks ago Mr Tuite, hiding in the Irish Republic, gave a radio interview which disclosed details of his escape. The number of Provisional IRA attacks has dropped in recent years due largely to police successes, improved intelligence and changes in the Provisionals' strategy.

However, the weeks before Christmas have always been a favourite time for short campaigns and in London, Scotland Yard has strengthened police presence in the streets.

Regiment kept out of Ulster

The weekend's attack on the Irish Guards came shortly before the regiment ends its tour of ceremonial duties in London to move to West Germany for a posting with the British Army of the Rhine (BAOR) (Our Defence Correspondent writes).

Ironically, the place where the 1st Battalion is least likely to find itself is Northern Ireland, from where all Irish regiments have been kept away since the Army became involved in the troubles in 1969.

The regiment was formed in 1900 because Queen Victoria wanted to commemorate the bravery of Irish soldiers during the Boer War. Its members wear their tunic buttons in groups of four to denote that they belong to the Fourth Regiment of Foot Guards.

IRA reprisals, page 2

US will hold war exercise in Egypt

From Nicholas Hirst, Washington, Oct 11

Mr Alexander Haig, the American Secretary of State, today announced that joint military exercises will be held in Egypt next month, in a move which is clearly intended as a warning to Colonel Muammar Gaddafi of Libya.

In a satellite television interview from Cairo following talks with Mr Hosni Mubarak, the Egyptian President-designate, Mr Haig expressed the concern of American and Egyptian leaders over growing tension being created in the area by Libya.

Mr Haig went out of his way to emphasize that he did not expect hostilities between Libya and Egypt. He said the exercises could include the deployment of the Strategic Air Command B-52 bombers stationed in the United States. They would be very extensive, involving Egypt and Gulf states, he specifically mentioned Oman.

Mr Haig was quite clear that Mr Mubarak could survive as a strong leader. He was asked if he could be assured that after the death of Mr Sadat, Mr Mubarak and Mr Menachem Begin, the Israeli Prime Minister, would continue with the Camp David peace process. "I do not think there is any question about that. It was confirmed by both of the leaders," he said.

Mr Mubarak was a protégé of Mr Sadat, who had told Mr Haig he was grooming Mr Mubarak for the presidency. There was no question that Mr Mubarak, who was trained by the US, would lead Egypt back into the Soviet camp. "I have spoken to no Egyptian official more enlightened to the pitfalls of alliance or convergence with the Soviet Union," Mr Haig said.

In the weeks ahead he did not expect it to be too difficult to achieve a rapprochement between Egypt and Saudi Arabia. These were broken off because Saudi Arabia considered the Camp David process to be a separate peace between Egypt and Israel leaving out the problem of a homeland for the Palestinians.

"I see a very strong possibility because of the convergence of strategic outlook and mutuality of interest between the two regimes," he said.

Violence mounts in Cairo

From Christopher Walker, Cairo, Oct 11

Amid disturbing signs that security is deteriorating, Mr Nabawi Ismail, Egypt's Interior Minister, tonight denied widely circulated reports that gunmen killed a number of the guards outside his home last night.

According to the reports the attackers opened fire with sub-machine guns as they drove past the house in two cars. The Minister, who was not injured, dismissed any suggestion of an attack. Instead he gave details of the referendum on Tuesday.

There have been repeated reports over the past few days of attacks on police stations in the capital. These have been virtually impossible to confirm but diplomats are convinced of their authenticity and that violence by Muslim extremists has gone unreported.

Mr Haig said the United States would welcome such a move and similar moves with other moderate Arab states. Egypt and Saudi Arabia were not hostile but estranged. He had not specifically talked along these lines to Mr Mubarak because it was a matter for the leaders of the two countries, not for the United States.

Asked if his statement in Cairo describing Egypt as the United States' foremost ally in the region meant any lessening of the commitment to Israel, Mr Haig said the commitment was wholly unequivocal and unchangeable. It had not lessened one iota.

Meanwhile, former presidents Jimmy Carter and Gerald Ford told journalists on their aircraft returning from Sadat's funeral they believed the United States would have to deal with the Palestine Liberation Organization (PLO) to achieve a lasting peace in the Middle East.

The United States, in a commitment to Israel made during the Ford Administration and reaffirmed by Mr Carter, said it would not negotiate with the PLO until it formally recognized Israel's right to exist.

He added: "I don't see any possibility of the Palestinian world, and the Arab world, of acknowledging any leadership for the Palestinians other than that of the PLO."

In a separate television interview, Mr Richard Allen, the President's National Security adviser, said there had been attacks by Libyan-sponsored troops in the border region of Sudan and Chad. The subject of the Sudan had come up during Mr Mubarak's recent visit to the United States.

Mixed sales threat, page 11

From the House of BELL'S



ARTHUR BELL & SONS LTD, ESTABLISHED 1825 AND STILL AN INDEPENDENT COMPANY



A three-year-old boy on holiday with his parents in the West Country, enjoying a ride on a toy horse outside a supermarket. He attracts little attention, but his name is Cameron and his parents are Mr and Mrs Michael Reagan, and his grandfather is President of the United States. So he must never be left unguarded.

More secrets may be declassified

Saving history's raw material

By Peter Hennessy

There are strong indications in Whitehall that the Government is about to breathe new life into its system for preserving, declassifying and releasing secret files. That will ensure that the raw material of history is not shredded and that as few documents as possible are withheld for more than 30 years.

An official Cabinet committee on public records policy, known as MISC 3 from its secret Cabinet Office classification, has completed the first draft of a White Paper to be released before Christmas. The paper is a response to a report on the selection and accessibility of public records published in March by a committee under Sir Duncan Wilson, a former ambassador to Moscow.

If, as expected in Whitehall, ministers accept the draft prepared by MISC 3, the bulk of the findings of the Wilson report will be implemented, including its cardinal recommendation that secretaries of state, permanent secretaries and establishment officers must live up to their responsibilities under the Public Records Acts, 1958 and 1967.

They will have to rescue records work from what a former secretary of the Cabinet described as the "unsupervised backwater" into which it has largely disappeared in the past 20 years.

The deliberations of MISC 3, which meets under the chairmanship of Mr John Dempster, an under-secretary in the Lord Chancellor's Department, have shown that virtually no extra money or manpower would be needed to implement the more important Wilson recommendations.

A firm restatement of the duties of all those involved in records work, greater personal motivation for the staff employed on it, and a commitment from the Government

that it will ensure that such responsibilities are lived up to, is seen as the road to a lasting reform of the system.

Some of the more sensitive aspects of the Wilson report are being handled by a second Cabinet committee under Mr Dempster, MISC 58, which is examining the possibility of liberalizing rules governing public access to official papers.

That course is strongly urged by Sir Duncan and his colleagues, Professor Margaret Gowing, of Oxford University, the official historian of the United Kingdom Atomic Energy Authority, and Sir Paul Osmond, former Secretary to the Church Commissioners.

The Wilson committee argued that as few files as possible should be withheld in departments for longer than 30 years under section 3 (4) of the 1958 Act, which permits retention for administrative purposes or for reasons of national security.

The provision under section 5 (1) of the Act whereby papers can be released short

of the 30-year norm, if the Lord Chancellor, on the advice of ministers, so decides, should be much more widely used, the committee said.

MISC 58 has considered the desirability of the Lord Chancellor being given much more information about the nature of sensitive documents which departments are anxious to withhold. That would allow him to make his own judgment before signing the statutory instrument authorizing their retention.

Some departments, most notably the Home Office, which takes care of the interests of the Security Service, M15, and the Foreign and Commonwealth Office, which looks after the Secret Intelligence Service, M16, seem to be nervous about the degree to which the contents of old but sensitive files can be safely circulated within Whitehall for wider examination, and the matter remains to be resolved.

One of the most delicate items under consideration by MISC 58 is the edit promulgated by Lord Gardiner, then the Lord Chancellor, in 1967, at the time the 30-year rule was established, exempting all the internal files of M15 and M16 from disclosure, however many years had elapsed since their creation.

Lord Bethell, the professional historian and Conservative member of the European Parliament for London, North-West, has suggested to Lord Hailsham, Lord Chancellor, that such a blanket ban is contrary to the spirit of the Public Records Acts and should be reviewed. Lord Hailsham has agreed that the matter should be examined and has referred it to MISC 58.

Modern Public Records: Selection and Access. Report of a Committee Appointed by the Lord Chancellor (Cmd 8204, Stationery Office, 1978).

Sir Duncan Wilson: Urged freer access to papers.

British Rail, the Department of Transport and the Welsh tourist authorities all want to keep it open, but none of them wants to pay.

The line contains the Barmouth Viaduct, where boring worms in the wooden piles caused a six-month closure to last May. Long term repairs will cost £1.5m, and the line already loses more than £1m a year.

Railway managers accuse the Government of deviousness in its dealings over the line, but British Rail will make no formal comment.

The accusation refers to a statement last month by Mr Kenneth Clarke, Under-Secretary of State for Transport, in which he expressed "pleasure that BR had decided to repair the viaduct out of the £700m grant they receive from the Government each year".

But the letter in which the alleged decision to repair the viaduct was conveyed, from Mr Geoffrey Myers, BR board member for marketing, to the department, says virtually the opposite.

"The simple truth of the matter is that the financial input does not now meet the physical output", Mr Myers writes. "There is no money for Barmouth Viaduct without work being cancelled on some other routes."

He says far more needs to be spent than is proposed for the viaduct to keep the

in public that the tribunal inquiry was "neither independent nor impartial".

On Friday details of the report, which had been written and delivered to Greater Manchester County Council some days earlier, were "leaked" in a new publication called *The Manchester Flash*, which is supported financially by government agencies and by Barclays Bank.

Some Greek journalists have been allowed rare glimpses of what Pasok would actually do if it came to power in informal chats with Mr Papandreou after each of the gigantic rallies that the two big parties are organizing in provincial towns.

Mr Papandreou was questioned about nuclear arms. Greece is known to have, under the Nato double-key system, stockpiles of artillery, surface-to-air nuclear warheads. Their removal, Mr Papandreou said, would be a symbolic act. "It would be a challenge to our Balkan friends to do the same. It would be a great achievement if we can get a nuclear-free zone in the Balkans within six months."

It is still unclear if this would be a unilateral act by a Pasok government or conditional on the other Balkan states accepting this regional plan, with or without control safeguards.

Like many other aspects of Pasok's policy this is one of the obscure areas that Mr Papandreou seems reluctant to clarify. He has systematically avoided contact with foreign journalists or their questions.

Last night at a rally in Salonika Mr Papandreou said Nato was bad for Greece because it failed to guarantee her eastern borders from Turkish aggression.

He indicated that if Pasok wins, one of the first things Parliament will be called on to do is to abrogate the so-called Rogers agreement reinstating Greece in the integrated military structure of the Nato alliance.

This would imply that under a Papandreou government Greece would remain in Nato's political arm. But he did not say so last night.

□ Bonn: Mr Papandreou said in an interview published yesterday that Pasok will seek to take Greece out of the EEC with a referendum if it wins the election (Reuters reports).

He told the West German weekly *Der Spiegel*: "We think Greece should be neither a member nor an associate of the EEC. Instead, there should be a special treaty."

Mr Ward said there was no such overriding factor as health risks to the mental health of the patients and to hygiene. A seventh of the inmates should be in psychiatric hospitals, he said.

Officially the prison should hold 245 inmates, Mr Ward said. In his seven years on the board the population had, many times been above 400.

Thousands of London families are living without electricity because they are too poor to pay the bills, the Greater London Citizens' Advice Bureaux Service claims in a report published today.

The report is based on two surveys of advice bureau clients. It says that the difficulty of paying their bills. The surveys showed that consumers with fuel debts were nearly all low income families.

Three quarters of those in one survey had incomes of less than £50 a week. In two thirds of the cases the family included children under 11 years old, and a third of the households were single parent families.

Though the number of disconnections in London has dropped sharply recently, the report is still critical of the London Electricity Board's record of handling poor consumers. It says it has no consistent policies for managing debts, and often fixes repayments at unrealistic levels.

Disconnection policies are said to be arbitrary, not taking effect at any particular level of debt, and taking no account of how the debt arose, or the consumer's circumstances.

Though advice bureaux were often able to negotiate more realistic arrangements for paying off debt, more than half the people approaching the bureaux for help had already been disconnected.

The report recommends that fuel disconnections should take place only by order of a court, that the LEB should work out and publish a consistent policy for the treatment of people running into debt, and that the Government should use fuel subsidies to protect the poor.

Fuel Debts and LEB Policy, Greater London Citizens' Advice Bureaux Service, 31 Wellington Street, London, WC2 7QH, £1.50.

Inquiry call over death of Prosser

By Peter Evans

Home Affairs Correspondent

A government inquiry with powers to "break the apparent wall of silence" about the prison death of Mr Barry Prosser was called for by the Association of Members of Boards of Visitors on Saturday.

The boards are appointed by the Government to provide independent oversight of prisons. Members at their association's annual meeting, chaired by Mr F. H. Hatcher, the Birmingham Stipendiary Magistrate, who decided there was insufficient evidence on which a crown court jury could convict.

A pathologist said that Mr Prosser, aged 32, a carpenter, had been beaten and died as a result of a ruptured stomach. Mr William Whitelaw, Home Secretary, who has called for a report of the magistrate's court proceedings, is expected to decide soon whether to set up an inquiry.

The association wants an inquiry with powers to compel people to give evidence on oath and to give immunity to prisoners making any allegations about staff.

The association wants the inquiry to investigate the reason for the apparent wall of silence confronting police.

Criticism of unacceptable conditions in Holloway, the women's prison in London, was made by Mr John Ward, a member of the board of visitors there.

Contrary to its much heralded policy of openness, the Prison Department has refused *The Times* permission to go inside Holloway, claiming that "too many people" were visiting and looking.

Mr Ward said there was no such overriding factor as health risks to the mental health of the patients and to hygiene. A seventh of the inmates should be in psychiatric hospitals, he said.

Officially the prison should hold 245 inmates, Mr Ward said. In his seven years on the board the population had, many times been above 400.

Thousands of London families are living without electricity because they are too poor to pay the bills, the Greater London Citizens' Advice Bureaux Service claims in a report published today.

The report is based on two surveys of advice bureau clients. It says that the difficulty of paying their bills. The surveys showed that consumers with fuel debts were nearly all low income families.

Three quarters of those in one survey had incomes of less than £50 a week. In two thirds of the cases the family included children under 11 years old, and a third of the households were single parent families.

Though the number of disconnections in London has dropped sharply recently, the report is still critical of the London Electricity Board's record of handling poor consumers. It says it has no consistent policies for managing debts, and often fixes repayments at unrealistic levels.

Disconnection policies are said to be arbitrary, not taking effect at any particular level of debt, and taking no account of how the debt arose, or the consumer's circumstances.

Though advice bureaux were often able to negotiate more realistic arrangements for paying off debt, more than half the people approaching the bureaux for help had already been disconnected.

The report recommends that fuel disconnections should take place only by order of a court, that the LEB should work out and publish a consistent policy for the treatment of people running into debt, and that the Government should use fuel subsidies to protect the poor.

Fuel Debts and LEB Policy, Greater London Citizens' Advice Bureaux Service, 31 Wellington Street, London, WC2 7QH, £1.50.

Thousands of London families are living without electricity because they are too poor to pay the bills, the Greater London Citizens' Advice Bureaux Service claims in a report published today.

The report is based on two surveys of advice bureau clients. It says that the difficulty of paying their bills. The surveys showed that consumers with fuel debts were nearly all low income families.

Three quarters of those in one survey had incomes of less than £50 a week. In two thirds of the cases the family included children under 11 years old, and a third of the households were single parent families.

Though the number of disconnections in London has dropped sharply recently, the report is still critical of the London Electricity Board's record of handling poor consumers. It says it has no consistent policies for managing debts, and often fixes repayments at unrealistic levels.

Disconnection policies are said to be arbitrary, not taking effect at any particular level of debt, and taking no account of how the debt arose, or the consumer's circumstances.

Though advice bureaux were often able to negotiate more realistic arrangements for paying off debt, more than half the people approaching the bureaux for help had already been disconnected.

The report recommends that fuel disconnections should take place only by order of a court, that the LEB should work out and publish a consistent policy for the treatment of people running into debt, and that the Government should use fuel subsidies to protect the poor.

Papandreou seeks atom-free Balkans

From Mario Modiano
Athens, Oct 11

The Opposition Socialists in Greece will ask for the prompt removal of all nuclear warheads stored in the country, if they win next Sunday's general election.

Mr Andreas Papandreou, who seems convinced that his Panhellenic Socialist Movement (Pasok) will be returned by a landslide, believes that he could set up a nuclear-free zone in the Balkans six months after forming his government.

Some Greek journalists have been allowed rare glimpses of what Pasok would actually do if it came to power in informal chats with Mr Papandreou after each of the gigantic rallies that the two big parties are organizing in provincial towns.

Mr Papandreou was questioned about nuclear arms. Greece is known to have, under the Nato double-key system, stockpiles of artillery, surface-to-air nuclear warheads. Their removal, Mr Papandreou said, would be a symbolic act. "It would be a challenge to our Balkan friends to do the same. It would be a great achievement if we can get a nuclear-free zone in the Balkans within six months."

It is still unclear if this would be a unilateral act by a Pasok government or conditional on the other Balkan states accepting this regional plan, with or without control safeguards.

Like many other aspects of Pasok's policy this is one of the obscure areas that Mr Papandreou seems reluctant to clarify. He has systematically avoided contact with foreign journalists or their questions.

Last night at a rally in Salonika Mr Papandreou said Nato was bad for Greece because it failed to guarantee her eastern borders from Turkish aggression.

He indicated that if Pasok wins, one of the first things Parliament will be called on to do is to abrogate the so-called Rogers agreement reinstating Greece in the integrated military structure of the Nato alliance.

This would imply that under a Papandreou government Greece would remain in Nato's political arm. But he did not say so last night.

□ Bonn: Mr Papandreou said in an interview published yesterday that Pasok will seek to take Greece out of the EEC with a referendum if it wins the election (Reuters reports).

He told the West German weekly *Der Spiegel*: "We think Greece should be neither a member nor an associate of the EEC. Instead, there should be a special treaty."

Mr Ward said there was no such overriding factor as health risks to the mental health of the patients and to hygiene. A seventh of the inmates should be in psychiatric hospitals, he said.

Officially the prison should hold 245 inmates, Mr Ward said. In his seven years on the board the population had, many times been above 400.

Thousands of London families are living without electricity because they are too poor to pay the bills, the Greater London Citizens' Advice Bureaux Service claims in a report published today.

The report is based on two surveys of advice bureau clients. It says that the difficulty of paying their bills. The surveys showed that consumers with fuel debts were nearly all low income families.

Three quarters of those in one survey had incomes of less than £50 a week. In two thirds of the cases the family included children under 11 years old, and a third of the households were single parent families.

Though the number of disconnections in London has dropped sharply recently, the report is still critical of the London Electricity Board's record of handling poor consumers. It says it has no consistent policies for managing debts, and often fixes repayments at unrealistic levels.

Disconnection policies are said to be arbitrary, not taking effect at any particular level of debt, and taking no account of how the debt arose, or the consumer's circumstances.

Though advice bureaux were often able to negotiate more realistic arrangements for paying off debt, more than half the people approaching the bureaux for help had already been disconnected.

The report recommends that fuel disconnections should take place only by order of a court, that the LEB should work out and publish a consistent policy for the treatment of people running into debt, and that the Government should use fuel subsidies to protect the poor.

Fuel Debts and LEB Policy, Greater London Citizens' Advice Bureaux Service, 31 Wellington Street, London, WC2 7QH, £1.50.

Thousands of London families are living without electricity because they are too poor to pay the bills, the Greater London Citizens' Advice Bureaux Service claims in a report published today.

The report is based on two surveys of advice bureau clients. It says that the difficulty of paying their bills. The surveys showed that consumers with fuel debts were nearly all low income families.

Three quarters of those in one survey had incomes of less than £50 a week. In two thirds of the cases the family included children under 11 years old, and a third of the households were single parent families.

Though the number of disconnections in London has dropped sharply recently, the report is still critical of the London Electricity Board's record of handling poor consumers. It says it has no consistent policies for managing debts, and often fixes repayments at unrealistic levels.

Disconnection policies are said to be arbitrary, not taking effect at any particular level of debt, and taking no account of how the debt arose, or the consumer's circumstances.

Though advice bureaux were often able to negotiate more realistic arrangements for paying off debt, more than half the people approaching the bureaux for help had already been disconnected.

The report recommends that fuel disconnections should take place only by order of a court, that the LEB should work out and publish a consistent policy for the treatment of people running into debt, and that the Government should use fuel subsidies to protect the poor.

De Lange committee proposal rejected

Apartheid to remain in schools

From Michael Hornsby, Johannesburg, Oct 11

The South African educational system will continue to be organized on the basis of racial separation, the Government has declared, further dashing the hopes of apartheid reform raised by Mr P. W. Botha, the Prime Minister, when he came to office three years ago.

The Government's position was made clear in a preliminary response to a controversial report on education, which recommends that all universities and schools, whether in the private or state sector, should be free to open their doors to all races.

The report, which contains many other proposals, was commissioned last year by the Government, and was produced by a committee headed by Professor J. P. De Lange, Rector of the Rand Afrikaans University, under the aegis of the Human Sciences Research Council, an independent body.

Education has long been an explosive issue. The commissioning of the De Lange report was in part a belated response to the violent student riots which erupted in the black township of Soweto in 1976 and the wave of unrest which swept Coloured (mixed) schools in the Cape Province in 1980.

The specific causes of the violence — the compulsory introduction of Afrikaans as the medium of instruction in Soweto and the shortage of textbooks and low standard of teaching in the Cape — quickly gave way in both cases to a more generalized venting of deep anger and frustration at educational inequalities.

The central proposal of the De Lange report is that there should be a single ministry of education for the whole population, that universities and private schools should be free to enrol students of all colours, and that state schools should also be non-racial, if their governing boards and parents' associations so desire.

Although the report thus stops well short of recommending compulsory racial integration, it would, if acted upon, none the less strike a severe blow at the legal underpinning of educational apartheid and create opportunities for liberalization which do not exist now.

At present there are three ministries, all white-run, handling education — the Ministry of National Education (white schools), the

Ministry of Internal Affairs (Coloured and Indian schools) and the Ministry of Education and Training (black schools).

White universities may take small numbers of black students, but they have to seek a permit to do so in each case. A blind eye had also been turned to private schools which accept black and Coloured pupils, but such schools remain in breach of the law and run the risk of reclassification as black or Coloured establishments.

The report maintains that the rigid organization of education along racial lines springs from a misguided desire to impose from above "a predetermined cultural identity" on different racial groups, and it argues instead in favour of "free association" (i.e. non-racism).

Speaking for the Government, Mr Gerrit Viljoen, the Minister of Education, agreed that the report had "positive aspects". But he insisted that the goal of equal education opportunities had to be achieved within the framework of racial separation so as to preserve the "Christian National" character of white education.

dragging us all towards the abyss", cried Herr Eihard Eppler, a leading spokesman for the dissident Social Democrats. "We want to smash it where we can, here in Western Europe, in Germany."

The crowds whistled and booed as a small plane circled overhead trailing a banner reading: "Who is demonstrating in Moscow?" Bearing banners of placards and balloons the demonstrators marched singing and chanting

Police reported that six punk rockers were detained for breaking windows and another group was caught helping itself to the contents of a wine shop. All other attempts to make trouble were promptly stifled by fellow-demonstrators.

The protesters, estimated at 250,000 by police and 300,000 by the organizers, had streamed in from all over West Germany and neighbouring countries to hear politicians from the two coalition parties, theologians, ecologists and trade unionists call for nuclear disarmament in East and West Europe and, as a start, the withdrawal of Nato plans to station new Pershing and cruise missiles in the West.

"We want to break the chain of rearmament which is

From Patricia Clough, Bonn, Oct 11

to the Hofgarten, a huge lawn in front of the university. One huge banner stated: "Fight your own wars. West Germany out of Nato", but most others favoured balanced disarmament and portrayed both President Reagan and President Brezhnev as villains.

□ Moscow: Tass said the rally was a milestone in the struggle for disarmament (Reuters reports). Soviet television screened long shots of the demonstration.

A child carries her own message during the demonstration



A child carries her own message during the demonstration

From Saturday's later editions

A robber who cared has sentence cut

Gary Wilson, of Liverpool, was given a reduced sentence of seven years on Friday after a judge at the Central Criminal Court was told of his "caring" attitude to his victims. Judge Buzzard said he had considered a sentence of 10 years.

Mr Stuart Stevens, defending, said Mr Wilson had calmed a Llandudno woman, aged 92, before robbing her of antiques and cash, and he returned a £700 watch because she was sentimentally attached to it. He loosened handcuffs so that she could free herself.

Informers' victim is set free

Daniel Gowan, a car dealer, of Chesham, Hertfordshire, sentenced to 15 years for robbery and conspiracy to rob after being implicated by an informer, was cleared by the Court of Appeal on Friday.

Mr Bernard Rees, of Penylan, Cardiff, sentenced to 18 years in 1979 for robbery, also had his convictions quashed. Mr Patrick Austin, of no settled address, sentenced to 20 years with Mr Gowan for robbery and plotting to rob, was refused leave to appeal against his convictions, but his sentence was cut to 17 years.

Mr Patrick Collins, of Wandsworth, London, sentenced to 15 years for a separate trial for robbery, had his sentence cut to 10 years. Mr Alfred Berkeley, of Hoxton, London, sentenced to 25 years with Mr Gowan on the same charges, was granted leave to appeal.

Reasons for the decisions will be given later.

MOTORIST KILLED

Mr John Webb, aged 20, of Virginia Water, Surrey, was killed when a BMW car he was driving went out of control and crashed through a fence on the A329 at Virginia Water early yesterday. Three passengers were seriously injured.

A three-cornered fight over rail line's future

By Michael Baily, Transport Correspondent

The future of one of Britain's most beautiful tourist railways, the Cambrian coast line up the west coast of Wales, is being fought over by three conflicting organizations.

British Rail, the Department of Transport and the Welsh tourist authorities all want to keep it open, but none of them wants to pay.

The line contains the Barmouth Viaduct, where boring worms in the wooden piles caused a six-month closure to last May. Long term repairs will cost £1.5m, and the line already loses more than £1m a year.

Railway managers accuse the Government of deviousness in its dealings over the line, but British Rail will make no formal comment.

The accusation refers to a statement last month by Mr Kenneth Clarke, Under-Secretary of State for Transport, in which he expressed "pleasure that BR had decided to repair the viaduct out of the £700m grant they receive from the Government each year".

But the letter in which the alleged decision to repair the viaduct was conveyed, from Mr Geoffrey Myers, BR board member for marketing, to the department, says virtually the opposite.

"The simple truth of the matter is that the financial input does not now meet the physical output", Mr Myers writes. "There is no money for Barmouth Viaduct without work being cancelled on some other routes."

He says far more needs to be spent than is proposed for the viaduct to keep the

Cambrian coast line open for years to come, and "while we will do sufficient to keep the line open for the time being there can be no longer-term guarantee until we have really determined a sounder basis for facing up to the physical requirements of the rail system".

Closure of the line would be regarded as a disaster in Wales, where it is the only link between the main line railway system at Shrewsbury and to some of the principal tourist coastal and mountain scenery. It connects with three narrow gauge railways cut into the mountains which are prime tourist attractions, the Talyllyn, the Festiniog and the Vale of Rheidol.

The Barmouth Viaduct, built in 1867 and rebuilt on 113 wooden piles in 1903, was discovered in 1980 to have been attacked by the Terebro worm, a marine boring worm that used to damage old wooden sailing ships.

Nearly forty of the worst affected piles were encased in glass-reinforced cement, suffocating the worms inside and protecting against future attack. The cost of doing the rest is the most immediate source of dispute.

Work also needs to be done on sea defences at Tonfanau, Llanaber and Afon Wen. Local authorities, while greatly concerned about the threat of closure to a prime tourist resource, are reluctant to spend their limited funds to keep it open.

And with costs of £1.5m a year and revenue of only £250,000, it is hardly a priority for BR's programme of maintenance and renewal.

POOR 'FACE FUEL BILLS CRISIS'

By Robin Young

French Socialists join battle with inflation

From Jonathan Fenby, Paris, Oct 11

Control of inflation has joined the fight against unemployment as a dominant concern of the French Government.

After a summer in which the creation of new jobs was the central theme of President Mitterrand's newly-elected administration, the past week has seen an evident awareness that inflation has to be checked if the far-reaching Socialist economic programme is to succeed. It would be wrong to see this as a U-turn by the inflationary-minded leaders of France. Mitterrand is sure to emphasize his concern about unemployment and his desire to breathe new life into French industry during a tour of the depressed Lorraine region starting tomorrow.

But what the past week has shown is that after a honeymoon period dubbed "a state of grace" by the President, the French administration is having to come to grips with some unpleasant realities. These are not confined to the inflationary front.

The first big labour dispute since Mitterrand's election in May has broken out at the Renault motor plant in Paris. Four thousand of the 13,600 workers at the Billancourt factory are to be laid off tomorrow after a series of stoppages over wages, promotion, and working conditions. According to management, these measures are meant to cut production of about 7,000 Renault cars.

Renault is a traditional workplace of French union militancy and there is particular symbolism in the present dispute since it comes to what is regarded as a model state-owned firm at a time when the Government has started putting its nationalization programme through Parliament.

One union leader at Billancourt said at the weekend that Renault workers "intend to keep up our dynamic role in the economic and social evolution of the country," reflecting the feeling among sections of the trade union leaders and membership that the election of a left-wing administration should be followed by greater worker-participation in running industry, as well as by better material conditions.

The dispute is being closely

watched as an indication of how labour relations will develop once the immediate effect of wage and social benefits granted by the Socialists early in the summer wears off.

It is also becoming evident that the Government's nationalization programme may run into heavier weather than might have been expected in view of the Socialist domination of the National Assembly.

The problem is not political, particularly given the numerical weakness and lack of cohesion of the opposition. Rather it arises from possible constitutional and legal problems raised by the nationalization proposals.

Opponents of the extension of state ownership to private banks, arms firms and a dozen big industrial groups plan to take the matter to the top constitutional body, the Constitutional Council, on a number of points which they consider contravene French and international law.

The Government also has to deal with some rumblings from left-wing Socialists who think the legislation does not go far enough.

The parliamentary commission dealing with the draft Bill for private banks voted last week to remove a provision that shares in other companies held by these banks would not be taken into public ownership but would be sold. Since such shares included substantial holdings in many big French companies, and in some foreign banks and firms, this would have considerably extended the scope of the nationalization programme.

Pierre Mauroy, the Prime Minister, had to make it clear that the Government would not follow the commission's vote but would keep its original proposal rather than indulge in what he called "rampant" extension of state ownership.

Despite such important labour and legislative concerns, it is the inflationary pressures facing the Government which have come to the fore. Since the last week's devaluation of the franc in the European Monetary System.

Curb on dissidents by French Communists

From Our Correspondent, Paris, Oct 11

The French Communist Party, known as a forum for free and open debate, is coming under increasingly strict central control as the leadership tries to get to grips with its poor electoral showing earlier this year.

The party's central committee voted on Friday to expel the founder members of the most prominent dissident group, *Rencontres Communistes* (Communist Encounters), despite public appeal in its favour by prominent Communist intellectuals and artists. The group, which holds discussion meetings and publishes its own magazine, has been pressing for more open policy debate within the party.

This not only irritated the leadership, but also threatened to attract Communists who have been left puzzled or disheartened by the twists and turns of party policy in recent years, culminating in the loss of half its National Assembly seats in the June election and a weak score of 15 per cent in the May presidential poll.

M. Henri Malberg, the party's leader in the Paris region, insisted that the expulsions had not been voted because the group's leaders were in political disagreement with the leadership, but because they had tried to establish an independent movement which refused to follow the party statutes.

The party leaders are well aware of the need to reassure their followers but it has been clear from several statements in the party press recently, as well as from the expulsion of the *Rencontres Communistes*

founders, that open discussion of the party's problems is as far out of court as ever.

On the trade union front, this leadership of the country's biggest labour federation, the CGT, is due to change next year and this, too, is generally seen as a sign of a reassertion of central control.

M. Georges Seguy, the CGT Secretary-General, a ruddy-faced former railway worker from Toulouse, will hand over next June to M. Henri Krasuski, his deputy, a long-time union official who survived deportation to both Auschwitz and Buchenwald.

Although M. Seguy has always been known for toying the party line, he has been in conflict with the Communist leadership on a number of issues over the years and has always been aware that the union federation includes many non-Communists.

Officially, M. Seguy is standing down because he will reach the retirement age for railway workers next year. Health reasons have also been mentioned.

But, on a deeper level, the Communist Party needs to be sure of the CGT leadership in the coming year, in which the Mitterrand Administration will have to try to maintain a delicate balance between left-wing aspirations and the control of wage increases. In such circumstances, M. Krasuski looks a more reliable CGT leader from the Communist point of view than the man he will replace next summer.

Second ETA bomb found

From Harry Debelius, Madrid, Oct 11

Frogmen found another powerful bomb under a Navy pier in the northern city of Santander, just one week after an explosion badly damaged a Spanish destroyer there, according to reports published here today.

The second explosive device, containing three kilograms (6.6 lb) of plastic explosives and a timing device was attached to the underwater mooring of a crane in front of the naval port commander's office.

After the device was spotted on Friday evening, all ships were moved out of the danger zone and the surrounding port area was cordoned off.

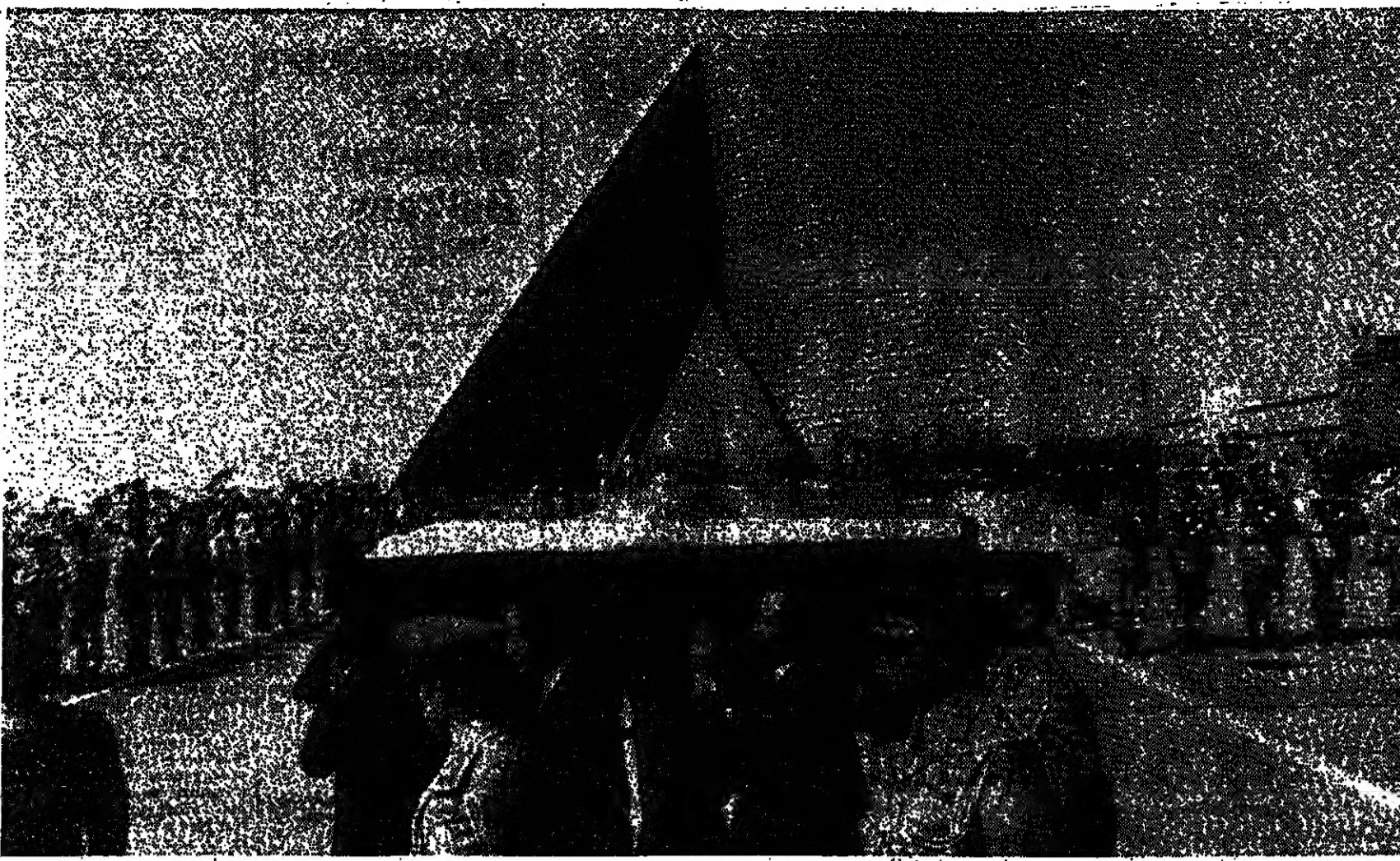
ETA was also suspected of being responsible for two other attacks over the weekend. In one, a member of the paramilitary Civil Guard was wounded in an exchange of fire at Elbar, near San Sebastian.

Police chief charged in France

Paris, Oct 11. — The deputy chief of the French paramilitary intervention force has been charged after a police operation against an arms smuggling network linked to extreme right-wing political organizations, police said.

Captain Paul Barrill, aged 34, second-in-command of the GIGN gendarmes group which specializes in anti-terrorist operations, is one of eight people charged after police seized arms in a car entering France from Belgium last Sunday.

Police said Captain Barrill, who has taken part in some of the GIGN's most spectacular actions in the past six years, faced unspecified arms offences and had been released on bail. Six others, including a 27-year-old former mercenary, were being held on charges arising from the investigation by the police unit specializing in anti-state crimes. — Reuters.



Officers escort President Sadat's coffin to the tomb of Egypt's unknown soldier — near the scene of the assassination.

Death toll in Egyptian clashes reaches 118 with 200 injured

From Christopher Walker, Cairo, Oct 11

The number of dead in the fighting between Islamic fundamentalist gunmen and the security forces in the southern Egyptian town of Assiut is put at 118, with up to 200 people injured, according to reliable Egyptian security sources. It is believed that more than 30 of those killed were members of the security forces.

Since the first reports of the three days of disturbances in Assiut, 240 miles from Cairo, began to filter back to the capital, the Government has repeatedly tried to play down the significance of the uprising. Some 12 hours after it began, one senior Minister refused to say whether there had been any deaths or injuries at all.

The disclosures about the extent of the Assiut violence coincide with repeated reports circulating in Cairo diplomatic circles that around 200 Egyptian soldiers, mostly officers, have been killed since Muslim extremists assassinated President Sadat last Tuesday.

The reports of an internal security purge in the Army have been impossible to confirm from Egyptian sources, but they were corroborated in Cairo this morning by a foreign security expert with excellent military contacts who has been based in Egypt since the assassination.

Since Mr Sadat's killing, the streets of Cairo have been subject to heavy security patrols conducted by military police in open vehicles and riot police wearing helmets and shields, who patrol in lorries carrying groups of 40.

The continuing concern about the government's ability to cope with the threat from Muslim fanatics follows graphic visual evidence over the weekend of the lack of public grief over the murder of President Sadat. This was emphasized by the fact that only last month he claimed to have the support of 99.5 per cent of his people after a referendum on his purge of government critics.

The complete absence of the hysterical mass grief that

followed the death of President Nasser 11 years ago has been vividly expressed. Egyptian sources have tried to explain it away by a number of suggestions, including the growing "maturity" of the people and the spread of television.

But experienced diplomats ascribe the lack of public mourning in both town and countryside to two main factors: the unprecedented security imposed because of fears of more Muslim inspired terrorist attacks and the fact that the President was killed when his popularity was at its lowest ebb.

The lack of publicly expressed sadness has been evident everywhere. There have been hardly any photographs of the late President in windows: only a handful of black flags in Cairo and hardly any spontaneous crowds of mourners — as opposed to those blatantly organized to greet the procession of 20 buses carrying the press corps to the burial site yesterday.

Israel to continue Sinai withdrawal

From Moshe Brilliant, Tel Aviv, Oct 11

Arrangements for the final Israeli withdrawal from occupied Sinai are proceeding after talks in Cairo this weekend between Egyptian and Israeli leaders attending President Sadat's funeral.

Mr Kamel Hassan Ali, the Egyptian Foreign Minister, has scheduled October 25 to discuss the demarcation of the permanent frontier, the evacuation of the last Israeli equipment and Egypt's possible purchase of facilities to remain in Sinai. Other meetings to deal with the normalization of relations will also take place scheduled by the Sadat Government.

At its weekly meeting today, the Israeli Cabinet heard a report on the talks with the Egyptians, who went out of their way to dispel Israeli doubts that they would honour Mr Sadat's commitments.

Mr Begin said the assassination had created a "dangerous situation" which must be carefully watched. But he was, he said, satisfied that new Egyptian leadership was determined to pursue the peace process.

The general view here was that the new rulers will avoid anything between now and April that might give the Israelis a pretext to renege on their undertaking for a total

withdrawal from Sinai. However, there was less confidence that the Egyptians will not cool their relations and try to restore their position in the Arab world once they get all of Sinai back.

This same suspicion prevailed even when President Sadat was alive. In a radio interview today, Mr Yitzhak Shamir, the Foreign Minister, said the meetings in Egypt did not dispel all of Israel's concerns but they eased them. "The people now running Egypt will do what they can to maintain what Sadat started", he said.

However, he rejected suggestions that the Israelis advance the withdrawal as a gesture to the new leadership. "What happened in Egypt is no reason for Israeli gestures", he said.

Mr Begin also reported on his talks with world leaders at the funeral. They included Helmut Schmidt, the West German Chancellor, and former President Valéry Giscard d'Estaing of France, both of whom he had attacked during the Israeli election campaign earlier this year for their allegedly pro-Arab orientation.

Mr Begin also shook hands with President Gaafar Nimeiri of Sudan, but it appears

improbable that the Sudanese leader knew who he was.

On the flight home from Cairo last night, Mr Begin told reporters that it was the height of hypocrisy by the Moroccans to state that King Hassan did not attend the funeral because the Israeli Prime Minister participated. "Three years ago King Hassan himself invited me and my wife to visit his country", Mr Begin revealed. A member of his staff said the invitation was extended after President Sadat's visit to Jerusalem in November, 1977.

Mr Begin accepted the invitation but he balked when the Moroccans said they wanted him to come disguised and bearded. He said he had surfaced from the underground 30 years ago and now he wanted to come officially.

The Moroccans indicated that they agreed but they later cancelled the invitation due to "complications", the sources said. A number of high-ranking Israeli officials including Mr Yitzhak Rabin, then Prime Minister and Mr Moshe Dayan, then Foreign Minister, had secretly met the king in Beirut, the latest incongruous visitor, as far as is known, was Mr Shimon Peres, the opposition Labour Party leader, last March.

Peru leaders feel able to cope with political strikes

From Michael Smith, Lima, Oct 11

The year-old Government of President Fernando Belaunde Terry of Peru has drawn encouragement from the failure of two recent strikes called in protest against government policies. It believes that it may now proceed with its economic programme without having to fear politically instigated unrest.

A general strike called for September 22 by left-wing unions went almost unnoticed, and a big strike by copper miners next week has stumbled to a halt without achieving the union demands.

The failure of the strikes marks the end of an era in Peruvian politics. In July, 1977, a widely observed general strike shook the foundations of the military government of General Francisco Morales Bermudez and convinced it that draconian means of handling over power had to be found. Since then there have been six other general strikes.

The possibility of a general strike used to be always in the military's mind and acted as a silent veto in the Cabinet when economic measures were discussed. Price and subsidy policies were influenced by strikes, and they usually led to the piling up of

big budget deficits. The potential for violence on the streets also had to be considered.

Another advantage of the strike for left-wing politicians was the claim it gave them to have effective support of the public, even though they could average only about 25 per cent of the vote in elections over the past three years.

But the rules of the game have changed since the Belaunde administration took over last year. Señor Alfonso Grados, the Labour Minister, has taken steps to give employees a voice in the formulation of the Government's wages and prices policy, and has kept wages from declining in real terms, in spite of 80 per cent inflation over the past 12 months.

So, when the leaders of the Communist-dominated Workers' Confederation of Peru (CGTP) called the strike for September 22, the Government decided to call their bluff.

Señor Grados said in an interview. "The CGTP leaders were the last to learn that the same tactics don't work under a democracy as under an authoritarian regime."

US dismay over El Salvador

From Paul Ellman, San Salvador, Oct 11

Much of the rhetoric which followed President Reagan's decision to support the El Salvador regime headed by President Jose Napoleon Duarte has now abated.

The slaughter of civilians called in protest against the Salvadoran military has tempered the stridency of calls by Mr Reagan's supporters to hold the line in El Salvador. Equally, the scale of the American commitment so far, less than Britain's military commitment in Belize, has quietened the overblown claims by liberals that another Vietnam was in the offing.

But, for the officials who daily manage American policy behind the heavily guarded walls of the embassy in San Salvador, the shifting of the spotlight away from their activities is a mixed blessing. While it removes much of the urgency which informed their duties earlier this year, it also diverts attention away from the rapidly deteriorating security situation inside the country.

Publicly, United States officials continue to pay tribute to the Salvadoran military. To quote Ambassador Deane R. Hinton in a recent speech to a local audience: "Make no mistake, the fight is hard. The Army is fighting for your future. It deserves your support and respect, just as it

has our support and respect." Privately, however, American officials express deep dismay at how little has been achieved with American support and show little respect for the qualities of the Salvadoran fighting forces.

Although the Salvadoran command officially refuses to provide casualty figures, reliable sources report that its forces are now suffering losses equivalent to over 10 per cent killed or wounded annually. At this rate, the Salvadoran military will, by the end of this year, have lost more than half the manpower added to its ranks over the past 12 months.

No rally of guerrilla forces is available because none is kept. But American officials concede that there is little incentive to issue details of a situation which reveals the ineffectiveness of counter-insurgency operations so far. "The guerrillas are either very good at hiding their dead or the Army isn't very good at catching them." One American aide commented wryly.

Intelligence regarding guerrilla activities remains sketchy because of the tendency of Salvadoran troops to execute captives on the spot rather than interrogate them, but it is estimated that the total number of insurgents

from the five groups that operate under the umbrella of the Farabundo Martí movement has now reached 6,000.

The guerrillas now roam in groups averaging 100 men, compared with the five to 10 men bands that were the norm a year ago.

Although the Salvadoran command theoretically has 22,000 men at its disposal, only 9,000 of these are actively engaged in counter-insurgency operations, with the remainder tied up in static defence duties, guarding bridges, another key installation.

Efforts to improve the mobility of the government forces have yielded little fruit, despite the loan of 14 "Gue" helicopters as part of the United States military aid programme which totals \$35m (£18m) this year and is expected to reach \$60m in 1982.

Training is a problem, too. Thanks to a decision by the Salvadoran command to close down its basic training camp and transfer its instructors to fighting units, recruits now undergo little more than a weapons familiarization course before being sent out to what one American official laughingly described as "on the job training."

Government offers to work with Solidarity

From Dossa Trevisan, Warsaw, Oct 11

The Polish Government has offered to set up a permanent joint commission with the independent trade union organization Solidarity to ease the food crisis, in what is clearly a conciliatory move.

A period of negotiations now seems to be ahead despite Government accusations that the political programme which emerged from the union's congress had increased the threat of political conflict.

The new proposal is the first by the Government since General Wojciech Jaruzelski, the Prime Minister, recently indicated the necessity to widen the circle of power, and the party newspaper *Trybuna Ludu* went even further in calling for a national consensus and touching on the possibility of setting up a coalition government. This might include Solidarity and the Roman Catholic Church.

The Government, in its statement over the weekend, said the immediate task of the joint commission would be to deal with the supply, price and rationing of goods. It also pointed out that shortages of hard currency were imposing further restrictions on imports, especially of raw materials.

The Government made it clear that Poland's chances on getting assistance from her partners, both East and West, depended on achieving political stability. Poland was fast ceasing to be regarded as a reliable economic partner.

This year the Soviet Union has given considerable help to Poland with raw materials in excess of the annual trade quotas, while Poland has lost four million tonnes of coal short in her contracted deliveries. Moscow is now believed to have told the Poles that this lopsided trade cannot last indefinitely. Both East Germany and Czechoslovakia have now begun to put trade with Poland on what seems to be a strict barter arrangement.

Mr Jozef Cyrtek, the Foreign Minister, returning from a series of visits to Western Europe, said in an interview that he found diminishing willingness to grant aid to Poland. One of Solidarity's experts on trade, returning from the United States, said Western bankers would only grant further credit if union and the Government reached agreement, and some signs of improvement began to emerge.

The prospects for the winter are an uneasy crisis, spare part shortages and breakdowns, all of which indicates things will be worse than last winter. This will necessitate a further reduction in heating as coal output is down more than 20 per cent despite an increase in the number of miners.

Oil refining has fallen by 17 per cent and long queues of cars at the petrol pumps are again bearing witness to shortages of oil supplies. Farmers, in dispute with the authorities over wholesale prices, are selling their livestock to the state market.

IN BRIEF

Two embassies gategashed

Moscow. — Soviet police have detained a Russian who drove into the United States Embassy with a loaded shotgun. He asked to talk to officials who later told him he had surrendered his gun to a marine and was allowed to talk to consular staff. On Saturday two teenage Soviet youths broke into the Belgian Embassy compound and were taken to a police station. Two hours later they were taken home.

Briton held

Nairobi. — Oswald Kpokpoe Ankrab, a Liverpool-based, has pleaded guilty here to unlawful possession of drugs and was remanded in custody. Police had seized 396lb of marijuana from a house in a Nairobi suburb.

Zaire purge

Kinshasa. — President Mobutu Sese Seko has replaced almost half his 26-member Cabinet, the Zaire news agency said. The surprise of the latest reshuffle is the removal of Mr Bomboko Lukumba, the powerful Deputy Prime Minister and Foreign Minister.

Airport protest

Tokyo. — About 6,500 students, trade unionists and farmers held a mass demonstration in protest against the construction of more runways at Narita international airport, near Tokyo.

Chess delay

Merano, Italy. — Victor Korchnoi, trailing three games to nil in the world chess tournament against the champion Anatoly Karpov, postponed the fifth game that was due to start last night until this afternoon. No reason was given for the request.

Flood toll

Manila. — The death toll in a mining village hit by flash floods in the northern province of Davao Del Norte has risen to 152, the Philippines News Agency said.



Michael H...
Tarzan
the urt
jungle

...the cr

The Times Profile: four key men at the Conservative conference



Michael Heseltine
Environment Secretary

Tarzan of the urban jungle

As recently as May the game seemed to be up for Mr Michael Heseltine. In 24 months he had changed from golden boy to whipping boy, blamed for the rates, the near loss of the shires to the Conservatives in the recent election, Ken Livingstone and, seriously, for the continuing and dramatic failure of central policy to bring local spending and employment down anywhere near the targets in the Government's economic plan.

Mrs Thatcher's cruel and unusual punishment in sending the stylish Mr Heseltine out among the ill-tailored grey men of local government seemed at first to be working. His smooth upward track — Oxford Union, publishing magnate, conference's delight, ambitious minister — was running into the sands of rate support grant.

In Knowles and Croxeth he won hearts and minds. He will appear at Blackpool this week if not as the lion-hearted minister standing between the blue-rinsed ladies and revolting Tootsie youth, than as the simple minister who has been there at the urban sharp end, the man apparently who knows what levers to pull.

Mrs Thatcher may have thought when she despatched her minister northwards that she was dishing him. As Lord Halsbury found in 1962 such missions can easily make ministers into buffoons.

Despite their similarity of background — provincial (Mr Heseltine comes from Swansea) and bourgeois rather than metropolitan and aristocratic — relations between Mrs Thatcher and Mr Heseltine are not close. Such a considerable figure in Conservative governments and conferences is bound to be seen as a possible rival.

Yet there was something missing from Mrs Thatcher's calculations — if she did stop and think before authorizing the Merseyside jaunt. Mr Heseltine is not a philosopher, but an action man. His record in government shows his liking for Big Things: road projects, water at Transport, Concorde when at Aerospace.

Even his interpretation of the fashionable minimalism of Mrs Thatcher's era has been big: getting rid of council houses was the Sale of the Century; slimming the Environment Department became a bravura exercise of managerial prerogative. And his heart was still with size: architectural competitions, planning the regeneration of London docks flying over the area in a helicopter.

Merseyside's problem is big and Mr Heseltine responded. He had a marvellous fortnight of visits, tours by coach and on foot, intense seminars with officials, continuous media interest.

The deep self-regard Liverpudlians have for themselves was flattered; the pin-stripe suits, impressed the damp flat-dwellers and the scouse-speaking blacks. Mr Heseltine was the model of a shirt-sleeved minister — except he wears those old-fashioned bands that gather men's sleeves — and a message went out from the Royal Liver Building: the Government was doing something.

Enough of that euphoria lingers to give Mr Heseltine his standing ovation this week, if he is careful. He could bore the conference — as he nearly did last year — with the nuts and bolts of his municipal legislation. No other party invests as much time and individual effort in the administration of Britain as the Conservatives; no other national party conference finds municipal affairs so boring.

Why did he build up so complex a controversial tool as his Blackpool campaign? He can't see that there are constitutional issues behind the financial aspect? But Michael Heseltine is in no sense a historian and is even less interested in constitutions. He came to the Environment Department with a residual sense of obligation to the shires that have given him political life (he represented Tavistock in rural Devon before his present seat of Henley in Oxfordshire) but with none of any broader tradition of local government. At the same time Mr Heseltine has not the intellectual resources effectively to combat the localists, their academic allies or even the trendy cant of the Social Democratic decentralizers.

This week he will probably indulge in that time-honoured sport of bashing socialist local authorities, and the faithful will love it. But come next week the complex issues of raising local spending and the true limits of autonomy in a welfare state will still be unresolved — and Mr Heseltine's promised new legislation will not settle them — ensuring that the gold of his reputation could soon again be tarnished.

David Walker

Cecil Parkinson
Party Chairman

Cleanest Tory of them all

"I have one real objective: to help the Prime Minister win the next election. That's my challenge, my problem, my job," said Cecil Parkinson, the former Minister for Trade who, tomorrow will address the conference for the first time in his new role as party chairman.

"We haven't got an easy story to tell, but then there isn't a government in western Europe that has."

"There is a hell of a recession going on, and we continue to talk as if we are the only country that has these problems. We have to set our country in perspective alongside others." By the next election there will, he believes, be enough elements of real achievement and progress to justify a second term.

His friends reckon he is outstandingly well equipped for his new job. Indeed, in some ways Mr Parkinson seems too good to be true: tall, handsome, charming and likable, only 50 years old, capable of working with fierce concentration from 8 am to midnight.

Since 1970 he has been the perfect constituency MP (for Hertfordshire South, previously the late Iain Macleod's), intelligent, self-made, brilliantly supported by a pretty, politically-committed wife — is there, one wonders, no flaw?

Seemingly not, though opinions about his abilities as a speaker varied from "very good" (a verdict to which he and his wife Ann modestly incline) through "variable" down to "narcotic". If his own political profile has remained indistinct, it is, he believes, largely because his two main posts — MP for Heath made him an assistant whip in 1974, and spokesman on trade in 1976 — condemned him either to silence or highly specialized contributions in the Commons.

He has never been a man to cultivate either an image or any sort of power base, not is he — although, as a friend put it, "a thoughtful person in the fullest sense" — of a theoretical or ideological bent. On the whole, he says, he supported the Heath government, but was not too happy about some measures, like the 1972 Industry Act, which ushered in "lame-duck" aid.

He is keenly interested in mental health, and believes that increased help for the Third World (preferably through trade and know-how, not aid) is in everyone's interest. But on economic policy, he has long shared the views of Thatcherites like Nicholas Ridley, Nigel Lawson and Jack Bruce-Gardyne.

Coincidentally, perhaps, his background is also not unlike his leader's. His father, of whom he is both proud and protective, was a railwayman, who survived a serious heart attack in his forties and is president of the local golf club.

Born in Carnforth, Lancashire, young Cecil did well at Lancaster Grammar School, and became a briefly — a Young Socialist. After National Service in the RAF he went to Emmanuel College, Cambridge, where he read first English, under F. R. Leavis; then, thinking that "not quite sufficiently applied", he switched to law, doing the two-year course in one year and gaining a Third — but also a blue for running.

He still runs in the roads around their eight-bedroom Queen Anne house near Pottery Bar, or their flat in Pimlico, to counteract the effects of trade promotion trips around the world, now to be replaced by exhortatory excursions around the United Kingdom.

After Cambridge and a stint with Metal Box, he switched from law to accountancy, soon becoming a partner of the City firm he joined, then decided he wanted a business of his own.

With borrowed money he bought a north of England building firm, which he took with a partner into the specialist engineering field, selling out when he became Trade minister.

At the end it employed some 400 people.

Mr Parkinson's ability to explain complicated economic issues in the straightforward, practical terms of a businessman will stand him in good stead as party chairman. Equally, his easy rapport with leaders of industry and commerce, brilliantly used at Trade, should help restore the party's serious financial deficit.

Another big and more delicate task will be to restore morale at Conservative Central Office, where an 18-month pay-freeze, 10 per cent staff cuts and a major reorganization have caused serious disaffection.

In his 10 years in politics Mr Parkinson has shown that he possesses an unusual blend of efficiency, energy and charm. The task of persuading the country to take another five years of Thatcher medicine will show whether his powers of judgment and communication are of the same high order.

Roger Berthoud

Norman Tebbit
Employment Secretary

Hit man not spoiling for a fight

The first thing the trade union movement did on hearing that Mrs Thatcher had appointed Mr Norman Tebbit as Secretary of State for Employment in the last Cabinet reshuffle was to christen him: Four per cent Norm.

As a nickname it is unfair on Mr Tebbit, if only because his influence on the level of this winter's round of pay settlements will vary from slight to non-existent. Gone are the days when employment ministers invited warring parties to St James's Square and banged their heads together in a four per cent deal.

It is also the fate of employment ministers to be judged on the inroads they make into the unemployment pool, now a brimming lake, during their tenure. Again it is something neither Mr Tebbit nor any other incumbent can do much about.

But the unions know they are dealing with a hard-liner, put in by Mrs Thatcher to give more muscle to her desires for union law reform. He did not endear himself to them with his blunt inaugural remark that Britain would be a better place if everyone worked harder.

Terry Duffy, president of the engineering union and one of the few union leaders to have met Mr Tebbit, says: "Prior was a fellow who put his toe in the water and earned our respect. Tebbit has not

got the barometer of opinion; he is out of touch with the movement."

Mr Tebbit himself would undoubtedly disagree. He is proud of having risen from a working-class background in north London — where his father was a shop manager who lost his job in the Depression — via Edmonton Grammar School to a clerical job on the Financial Times. National Service in the RAF led him to a career as an airline pilot and a lay official of BALPA, the pilots' union, where he worked actively for 100 per cent union membership, which is not at all the same thing as a closed shop.

For two years he was national president of the Conservative Trade Unionists' Organization, a curious body which is scorned by the mainstream Labour movement and whose influence on Tory policy-making is not as great as it might be. An associate who worked with him then says: "Norman is a typical working-class Tory: blunt, committed and very ambitious. But he is also pragmatic: he knows what he can get away with. He's a trumper."

Another says: "Jim Prior was a consensus politician, but with Norman, conviction overrules consensus. He is no intellectual, but he is very sharp. He is a realist who is quick to dash the direction of the prevailing wind."

Mr Tebbit is very much Mrs Thatcher's man, and it is to be entirely that he owes his rapid rise from the back benches through three ministerial posts in two years. He was one of her original "gang of four" who prepared her parliamentary ripostes to the Callaghan front bench while she was in opposition, with Mr Tebbit himself the hit man put in to deliver some of the more cutting responses.

His adversaries on occasion regarded the level of his debate as too low-lying that it skimmed the treetops of insult. Michael Foot called him "a semi-housed trained polecat" and Cyril Smith branded him "a slick, slimy, slithering individual".

Those who dealt with him at the Department of Industry as right-hand man to Sir Keith Joseph take a much kinder view of him. Even some union leaders remember him with something approaching fondness for the way in which he saw through received Conservative doctrine to the social need for large injections of state aid to steel, shipbuilding and British Leyland.

Although there is no hint of rising damp about Mr Tebbit, his undoubted pragmatism is likely to temper his desire to reform union law. He will regard it as unrealistic, for instance, to attempt the total outlawing of the closed shop, much as he dislikes the institution.

Of the options currently being laid before him by his civil servants, he is more likely to choose those which once again make unions legally liable for

damages caused by unlawful industrial action, remove legal immunity from the organizers of unofficial strikes, and greatly increase the compensation to those sacked for refusing to join a union.

He is also likely to rush in where Mr Prior feared to tread, in outlawing union-labour-only contracts, in which companies indicate in their invitations to tender that all workers involved should be unionized. He will not feel it necessary, as his predecessor did, to consult at every stage. But he must be prepared for the new sobriquet: Legally Enforceable Norm.

Alan Hamilton

Sir Keith Joseph
Education Secretary

Looking back in anguish

Tomorrow the Tory Conference debate on education sees the first public appearance of Sir Keith Joseph in his new role as Education Secretary.

The purging of the Cabinet wets distracted attention from a secondary purpose of the recent Government reshuffle — that of removing Sir Keith from the Department of Industry, an appointment which had become embarrassing both for him and the Government. But was the move to Education a demotion?

Sir Keith's anguished performances as he announced the spending of more taxpayers' money on yet another ailing industry — the parade of investment back holes: included Leyland, British Steel and ICL — betrayed his personal misgivings, but also drew attention to the Government's faltering industry policy.

Whatever the official rhetoric, the reality of the Industry Department's function during the recession has been to bail out companies essential to the national economy. Sir Keith had never been able to disguise the pain it caused him to be a reluctant interventionist.

Sir Keith suffers from an acute sense of intellectual honesty which has led him to regular displays of public confessions. He was among the first to admit that the central economic policy of the Heath government had been misguided and that his personal support for it had been regrettable.

He eagerly confessed that it was not until he began the born-again capitalist thinking inspired by the 1974 election defeats that he was

truly able to declare himself a Conservative. The confessions did not stop there. He was wrong about the tower blocks he had encouraged when Minister of Housing. He had been wrong to reorganize the NHS so drastically when Secretary of State for Social Services.

Coming clean does not come easily to a politician — and the usual politicians' tricks do not come easily to Sir Keith. He is incapable of the pretences needed to glad-hand, yet in private he is charming and has a good sense of humour. It is when on duty even during a gentle interview on home ground that Sir Keith adopts the awkward, anguished, deliberate manner which mars his television performances.

He cannot relax when a notebook is out. To the full-frontal question, the gentle chivvying, the warmly charming and the silent confessional approach, he responds by staring out of the window, looking worried. He would much prefer to discuss the question than answer it directly. He meets questions about himself with puzzled nervousness.

This heightened sense of shame at the vanity needed for political life has hampered his progress. He is one of the most able members of the administrations he has served in, yet he has held none of the major offices of state.

Did he never want to be Foreign Secretary, Home Secretary, Chancellor of the Exchequer, Prime Minister? "No, no, no and no," he replied, proud of his denial of forwardness and self-seeking. "When others wanted to be Chancellor of the Exchequer or Foreign Secretary, I wanted to be concerned with pensions and penal reform."

"It was a paternal tradition, but I have come to realize that you cannot hope to be effective in helping — in so far as help depends upon money — unless you allow a free enterprise economy to make profits."

Sir Keith was born in Portland Place in 1918 to an affluent, unlanded Jewish family. His father, Sir Samuel Joseph, was chairman and managing director of Bovis, the family firm, from Harrow, and the Second Cricketer XI. He went on to a First in jurisprudence from Magdalen and to the Gunners in wartime, where he was known as "Smoking Joe" for his love of smokescreens.

He married Helen Guggenheim, an American sculptress, in 1951, the best man was Denis Lasdun — six months after meeting her at a tea party. The couple separated in 1978.

He began work as a builder, starting from the bottom, digging drains, and rose steadily to a seat on the board. By 1956 he was in the Commons, Member for the solidly Jewish constituency of Leeds, North East, which he has held ever since. Successive Prime Ministers rewarded his ability with power.

After the demise of Edward Heath, it became clear, most strikingly during a disastrous television interview with Ludovic Kennedy, that the hurly-burly of the top job would not suit him. Instead he has been content to be Mrs Thatcher's most conspicuous adviser, earning him the nickname "The Mad Monk" for the influence he has over the Tasarina. The sideways shuffle to Education has not dimmed that influence.

It would be wrong to guess that Education is seen as a quiet siding by either Sir Keith or the Prime Minister. He has always been interested in the subject — the only non-economic pamphlet commissioned by the Centre for Policy Studies under Sir Keith's stewardship was on education, the book promptly recommended to the DES civil servants on his first morning — and he has views, most particularly on making education more appropriate for national industrial needs, reviving Edward Boyle's neglected tertiary strand of technical education.

As an intellectual who has led the assault on classical economic theory, he is well able to counter the argument against the cuts which threaten the universities. As an unashamed believer in the unequalitarian distribution of intelligence, his arrival has encouraged those who would save the sixth forms in Manchester.

The DES is now third in Cabinet rank — the highest it has ever been — and he keeps his place on the important economic committee. Sir Keith has hardly been shuffled away.

Nicholas Wapshott

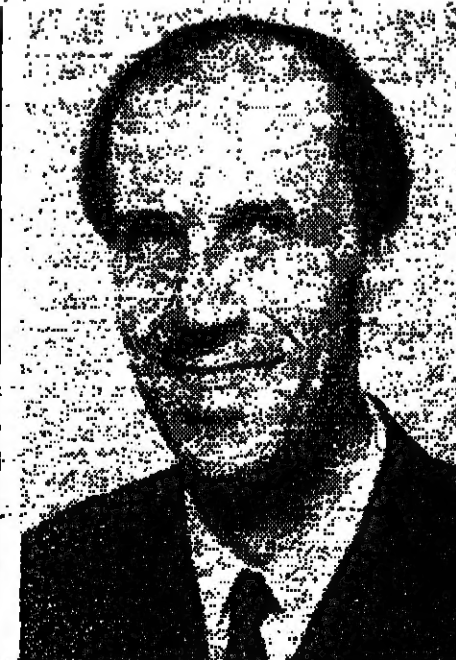
When the high fliers first took off



Michael Heseltine, photographed by Terence Donovan while unsuccessfully contesting Coventry North in 1964. Jobs held: junior transport minister 1970-72, Aerospace Minister 1972-4, Environment Secretary since 1979. Publisher: MP For Henley.



Cecil Parkinson, elected to Parliament for Enfield in 1970. Jobs held: assistant government whip 1974, junior trade minister 1979-81, appointed last month to succeed Lord Thorneycroft as party chairman. Accountant and businessman. MP for Hertfordshire South.



Norman Tebbit as Conservative candidate for Epping in 1970. Jobs held: Chairman, Conservative Aviation Committee, junior trade minister 1979, Employment Secretary since last month's Cabinet reshuffle. Former airline pilot. MP For Waltham Forest, Chingford.



Sir Keith Joseph, arriving at Westminster in February 1956 to take up his seat for Leeds North East. Jobs held: Housing Minister, 1962-64, Social Services Secretary 1970-74, Industry Secretary 1979-81, Education Secretary since last month's reshuffle.

by Henry Kissinger

De Lorean
is a winner,
damn it!

18. President Karl Carstens of West Germany walked, in style, the length of his country in an effort to encourage people to get out of their cars and walk and appreciate the country side.

Michael Horsnell



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

THE DE LOREAN AFFAIR

Eight days ago the managers and workers at the De Lorean car factory in West Belfast were celebrating a remarkable achievement. In just three years, an automated plant has been erected on virgin fields, a sports car has been designed for the American market and is now being snapped up by it, and 80 cars a day have been coming off the line to make De Lorean cars the single largest exporter in Northern Ireland. Some 2,600 people have found work and hope in a benighted area where one in three is out of work, a sharp advance on the commitment in 1978 to find work for 1,500 within five years. Now this success has been clouded, even threatened, by allegations against the company's founder, Mr John De Lorean. The nature and circumstances of the allegations raise almost as many questions about those who have made them as they raise about Mr De Lorean, but as the affair enters its second week there is one certainty: it must not be allowed to drag on through a second week, aggravated by official blunders, and daily compounded by confusion in the press. It has been a bad eight days.

The basic confusion, manifest in the original charges by two former employees, is between financial irregularity and corporate structure. The two are quite separate issues unless making a profit is a criminal offence. It certainly offends some of the commentators that, because of the

corporate structure, Mr De Lorean and his investors stand to do very nicely if the company succeeds as well as it seems possible it will do. But if this is a criticism that anyone wants to make it must be directed at the original deal between the British Government and Mr De Lorean, and it is in any event Catch 22 criticism: if the project fails, government should have hedged its bets more in preference stock or not invested at all; if it succeeds, government should have taken a bigger equity gamble. Hind-sight is rampant. Original critics of the deal said Mr De Lorean would not be able to build a car and if he built it he would not be able to sell it. Now that he appears to be doing both, the ground has shifted. He too is successful: how dare he wish to pay back and buy out the government shares? Would that British Rail, or British Steel, or B.L. could be accused of similar outrages. The truth is that the Government will have done its duty and done well by us all if it succeeds in Northern Ireland in encouraging private enterprise to create jobs and prosperity and nobody should begrudge the entrepreneur the fruits of his labour.

Financial irregularity is another matter altogether. The Government acted swiftly enough when the charges reached its attention. The trouble is that it acted clumsily. No public interest was served by the precipitate

announcement from No. 10 that the police were investigating; it seems that this was done of Mrs Thatcher's doing — though her name reached the headlines — but the result of a small flurry in Downing street in response to press calls while she was in Australia. Mr De Lorean says he has no complaints. He is showing undue civility. The proper course would have been a swift private inquiry followed by private rejection of the informants' allegations or a public prosecution. Allegations of this kind are made every week. This is certainly what would have happened if the informants had contacted the press. Very severe penalties in libel attach to newspapers which broadcast unsubstantiated suspicions. But that, in effect, is what Government did: very few reputations stand untouched by an announcement that they are the subject of police investigation. The Solicitor General in mid week realised this and tried to emphasise that the inquiries are routine. But the mischief had been done.

This is why it is a matter of daily urgency for the public to be told whether expenditure has been disguised or improperly allocated. If there has been impropriety it will be grave matter and the law must take its course. If there has not been, then there must be a concerted effort to repair the damage and restore the momentum of hope in West Belfast.

GREECE AT A CROSSROADS

On the face of things, the Greek electorate will be making a radical choice when it goes to the polls next week. The two main contenders are the governing New Democracy party, which has been in power since 1974, when the military regime collapsed; and the Pan-Hellenic Socialist Movement (Pasek), which is proposing a reversal of many of the policies followed during the past seven years. Pasek advocates a far-reaching "socialization" of the economy, and is also committed to the principle of leaving both the European Community and Nato, as well as closing the American bases in Greece. If past policy statements are to be believed, therefore, a victory by Pasek could mean a dramatic change in Greek foreign policy, designed to take the country out of the western camp and make it non-aligned. And the indications are that Pasek is within reach of victory, even though it may not win an overall majority of the seats in Parliament.

There are, however, reasons for believing that if the party won the election its policies would be the great deal less clear cut. For some time now Mr Andreas Papandreu, the party's leader, has been going to great pains to qualify past

commitments. As regards the Community, for instance, he has called for a referendum on Pasek's proposal to leave and negotiate a special relationship along the lines of Yugoslavia. But he and everyone else knows that the calling of a referendum is a prerogative of the President, not the Prime Minister, and that President Karamanlis is most unlikely to agree to one on this issue. So recently much of Mr Papandreu's emphasis has been on insisting on a change in the terms of membership, and being prepared to be difficult if Greece did not get its own way.

On Nato, Mr Papandreu has been critical of the agreement last year by which Greece returned to the alliance's military structures. But since Pasek's policy is to press for the dissolution of both Nato and the Warsaw Pact, it is possible that a Pasek government might confine itself to reversing that agreement while remaining in the alliance with a status like that of France. A key consideration is the need not to upset the Greek armed forces. Mr Papandreu has said that nothing will be done to jeopardize their supplies of equipment, and that is taken as a commitment not to move too far, or too fast, either on relations with Nato or on the

American bases, whose statute is due for renewal.

In toning down party policy in this way, Mr Papandreu has had a clear tactical aim: to win over the centrist vote without upsetting those on the left of his own party. The fundamental question, therefore, is whether having once won the election he might drop his new-found moderation, particularly if he found himself forced to rely on backing from the Communist Party.

Understandably, Mr Kallis, the Prime Minister, has been stressing the dangers of that happening; and he hopes if Greece's past record, as well as its past record, will carry New Democracy to a new victory. But he has to face the fact that after seven years in office, the government seems worn down — many Greeks, who want a change.

For Greece's partners in Nato and the EEC, the election is a matter of great importance, because of the issues at stake. They can take some comfort from the positions taken recently by Mr Papandreu, which suggest that a Pasek victory would be less of an upheaval than had been feared — as well as reflecting the health of Greek democracy. And sensitive handling by Greece's allies would do something to limit any possible damage.

speakers of wood and drawers of ivory. In due course, the party chairman reported to the leader what the conference said or decided. There was, — and is — no explicit commitment that any notice should be taken, although in practice the party's rank and file mood has been treated with calculating respect.

Alec Home as party leader set a new fashion after "the magic circle" controversy produced him from a top hat he decided to attend the party conference from beginning to end, listening to debates, hobnobbing with National Union officers, getting to know the rank and file, and generally proving that nobody could be more amiably democratic than a 14th Earl.

Mr Heath and Mrs Thatcher, his successors, continued the practice, which television saturation cover has made valuable to the leadership, if not obligatory. So it is that day by day in Blackpool this week, at a carefully chosen moment, Mrs Thatcher will move centre stage and stay for hours on end, in full camera view. And her rally speech will be on Friday, because PR men have insisted that sport kicks the hell out of politics on Saturday afternoons. After all, party conferences nowadays have television as their overriding raison d'être.

Through the years left wing journalists, home and foreign, have given themselves a Roman holiday butchering the Conservative Party for running a less democratic conference than Labour. A Conservative conference they used to say, was rigged from beginning to end; from the conspiracy to choose anodyne motions to the triumphant belabouring of party leaders and their lieutenants. Women reporters spent a small fortune and incredible enthusiasm describing the extravagant millinery in the hall.

Nature's shop stewards from Fleet Street, who easily stomach trade union block votes and blatant gerrymandering at Labour conferences could not swallow a Conservative conference where card votes were scarcely ever taken and delegates

spoke and voted only for themselves. That has changed. It is now the form of the Labour Party conference, the distribution of power within it, and its relation with the Parliamentary Labour Party that belatedly attract notice and come under attack. The Conservative conference, at any rate post-Home, begins to look not only deeply rooted alike in party history and parliamentary democracy, but also practical and fairly efficient. It cannot change or make policy — that is Westminster's prerogative — but it can influence and has influenced Conservative policy makers more than once.

Anybody must be at risk attempting to predict precisely how the Conservative conference will go in Blackpool. Ministers, the 1922 Committee, and the constituency rank and file have not been so profoundly disturbed and reprieved since the news of Mr. Macmillan's illness and resignation reached Blackpool in October 1963 and the fortnight's melodrama of the struggle for a new leader began. Mrs Thatcher is undoubtedly allowing herself to become dangerously isolated from even relatively mild critics of Government policy, disregarding men of substance and overlooking on party high boys prime ministerial spreading sense that she must show as much willingness to learn as to teach.

Yet, Conservative conferences being what they are, the activities of Mr Heath, Mr Rippon, and the "Blue Chip" bunch of backbenchers will do much more to protect than to damage her. Conservative representatives will take with them to Blackpool many worries and doubts, but though the deferential days are dead, they know that conference ritual needs a tribal hero or heroine, as a country needs a flag and a national anthem. To adapt the words of R. A. Butler in one of his historic calculated indiscretions, Mrs Thatcher is for the time being the best prime minister the Conservative Party has. Like her predecessors, she will be hailed at the seaside as such, and Heaven help any Brutus who sharpens the dagger this week.

Loyalty and dissent in the Party

From Mr Geoffrey Rippon, QC, MP for Heatham (Conservative)

Sir, Mr Chris Patten in his admirable article (October 10) has, to my mind, struck the right balance in his assessment, in the context of calls for loyalty, of the discussions now taking place within the Conservative Party. He and his "Blue Chip" colleagues are properly concerned with the present and not with old quarrels, the merit of which are for historians to assess.

Serious debate about Conservative policies has long been bedevilled by largely irrelevant matters such as Enoch Powell's antagonism to Ted Heath, and the latter's not unnatural resentment at his treatment by some of his former closest associates. I wonder who induced Mr Nicholas Edwards, the otherwise inoffensive Secretary of State for Wales, to say (The Times, October 10) that Mrs Thatcher permits dissent in Cabinet to an extent that Mr Heath never dreamed of? Where did he get his information about what went on in Cabinet of which he was not a member? And since when did dissent in Cabinet require the Prime Minister's permission? For my part I never found any difficulty in expressing my views, and nor to my knowledge did anyone else. If they were silent it was by choice.

A wise leader does not confuse loyalty with sycophancy. There must always be full and free discussion in Cabinet. Thereafter any Prime Minister is entitled to demand complete acceptance of, and public adherence to, the iron rule of collective responsibility. It cannot be reconciled with membership of the Government then resignation is the answer. No such convention can be held to inhibit a back-bencher speaking up publicly when he disagrees, or for putting forward his own ideas in the hope that a different line of action or policy may eventually commend itself to his party and its leaders.

On particular issues such as membership of the European Community, Conservative MPs in Mr Heath's day spoke and voted against the Government and may do so again. As a Minister I tried to convince them they were wrong, but I was in their duty, no doubt tried to dissuade them, but their actions were not taken as inherently disloyal. Curiously it is they who are today loudest in their calls for loyalty.

Now, as always, there is no concrete unanimity about what changes in present policies should be made. I, for example, agree with Mr Heath about the desirability of negotiating to join a strengthened European Monetary System, but not for the precise reasons he gives. I see that action as a step towards creating a new international monetary order and not as a protection against United States monetary policies. Neither do I favour a return to exchange controls. But I do see the possibility of an international combination of competitive interest rates and competitive protection poses the greatest potential threat of all. Dissent may take many forms. Indeed when I read the headline (The Times, October 10) "Tories want no Teddy Bennis, says Dr Cann", my first thought was that it must be a reference to

Teddy Taylor who is a Benitee if only in the sense of being both anti-European and a recent advocate of a return to exchange controls — a thought not by those tokens to be regarded as disloyal to Mrs Thatcher.

On the first day she entered No 10 as Prime Minister, Mrs Thatcher, paraphrasing the prayer of St Francis of Assisi, said, "Where there is discord may we bring harmony." In that same prayer St Francis also affirmed that it is "in forgiving that we are forgiven".

The Conservative Conference in Blackpool will be a great success if old hatchets are buried and there is a recognition that present policies must be continually reassessed in the light of changing circumstances and with due respect for differing convictions.

Yours faithfully,
GEOFFREY RIPPON,
House of Commons.

From Mr Paul Ashton
Sir, Mr Heath's call (report, October 7) for a return to "consensus politics" and for Europe to "put a ring fence round its money and capital markets" demonstrates the political and economic naivety of the former Premier.

High interest rates are an essential part of a successful strategy to reduce inflation, while the recent interest rate increases are a response to the flow of petro-dollar to America in search of high and secure returns. Though high interest rates are unwelcome (at least by borrowers), the effects attributed to them by Mr Heath are grossly overstated. The link between interest rates and investment-induced economic growth was questioned long ago by Mr Heath's own guru, Keynes. Investment takes place, he said, when businessmen see the prospect of profits being made, interest rates having only a marginal impact.

No "ring fence" will bring about economic growth or lower inflation rates. The economy will only pick up again when profits are restored. The result of increased productivity and lower unit costs, not lower interest rates (which in any case would be put in jeopardy by calls for more public expenditure).

As for "consensus politics", what this term means is not, as Mr Heath claims, pursuing policies that "unite the nation" but adopting policies which are not likely to be changed by the Opposition when they become the Government. This may have worked in the 1940s and 1950s, but how does one obtain consensus on issues such as education, health, the EEC, and nuclear disarmament? The two major parties disagree vehemently on private education and health schemes, on withdrawal from the Common Market and on unilateral disarmament.

If Mr Heath really wishes a "consensus" on these issues, if he wishes to move further towards the socialist alternatives, he should take the first step by joining the SDP.

Yours faithfully,
PAUL ASHTON,
365 London Road,
St Leonards-on-Sea,
East Sussex.

Help for Poland

From Mr Spiros Loutraki

Sir, You ask (leading article, September 23) if the West can help Poland. But it is not such a costly burden to the Soviet Union, and a reduction in it could be achieved by cutting aid. Nor could Western finance for Poland help the Soviets avoid a need for monetary intervention if it came to that point. Western finance would be more likely to increase the need. The West therefore is on a losing wicket. Indeed, in financial terms it has already effectively lost most of what it had at stake.

The second requirement in Poland, good economic management, can follow only from a resolution of the political controversy. It too requires a national consensus to emerge; it cannot be imposed on Poland from outside. In any case, the International Monetary Fund has not been notably successful in applying conditionality to centrally planned economies and would hardly know where to begin with Poland. Western assistance at the present time would therefore simply serve to finance a continuation of economic disorder.

Sir, your successive leading articles on the need for the West to provide substantial financial assistance for Poland are based on fallacious arguments.

Yours faithfully,
SPIROS LOUTRAKI,
Astir Palace Hotel,
Vouliagmeni Beach,
Athens,
Greece.
September 25.

Charities' income

From Mr Nicholas Hinton

Sir, Your all too brief report (October 7) of a speech by Mrs Lynda Chalker of the Department of Health and Social Security to the National Council for Voluntary Organisations' Annual Conference will, I fear, give readers the impression that, despite the recession, the income of voluntary organisations has increased.

Behind these figures lie many accounts of severe hardship for many organisations. The National Children's Home anticipates a deficit of £1m this year, staff are being made redundant, and fees from local authorities for children in care are nearly £1m less than expected. MIND (the National Association for Mental Health) faces similar difficulties and is likely to cut back its services at a time of increased demand.

Voluntary organisations seldom lack energy, but without the financial resources to galvanize this energy services will rapidly decline.

Yours faithfully,
NICHOLAS HINTON,
National Council for Voluntary Organisations,
25 Bedford Square, WC1.
October 9.

Pragmatic view of the Countryside Bill

From the Chairman of the Countryside Commission

Sir, As the Wildlife and Countryside Bill moves into its last stages there has been a sustained barrage of criticism from a host of well meaning sources directed not only at individual clauses but also at the central policy of the Bill which is based on voluntary cooperation between landowners and occupiers and the forces of conservation.

Yet it has to be recognized that most Bills are to some degree analogous to the curate's egg, and the Wildlife and Countryside Bill has many good parts. The major voluntary body concerned with the protection of birds, for example, has acknowledged that Part I represents a significant step forward and includes proposals for which they have long been fighting. Others in the voluntary field have gone on record in welcoming many of the provisions of Part II dealing with landscape and habitat protection.

It is however the question of management agreements, intended to protect the sensitive sites, and specifically the compensation arrangements associated with such agreements, to which the major criticisms are being directed. The lack of compulsory fallback powers, the stance of the Ministry of Agriculture in regard to making a contribution to the necessary funding, and the anticipated intolerable burden of cost as the years go by have all had a full airing.

The Countryside Commission has espoused management agreements as a part of its policy over a long period. It would have wished to see government providing back-up powers when no agreement was possible and has said so loudly and clearly. It has also supported the view that the Ministry of Agriculture should be involved in agreement payments as part of a policy designed to integrate conservation more positively with the farming processes. On future funding the commission has expressed natural concern and has made clear that its much publicised funding in a recent case in the Broads under the existing legislation is a one-off operation and that special provision will have to be made in future from central government sources. It is also concerned to have management agreements made optional rather than mandatory in cases where agricultural grants are withheld on conservation grounds.

But the Countryside Commission having made clear its opinions to ministers is taking a pragmatic view and is intending due course in its own field to make the Act meaningful in practical terms. It has been heartened by the Secretary of State, Mr Michael Heseltine, who made a reasonable commitment on funding when speaking at our

National Parks Conference last month, and moreover farmers and landowners do not always farm as if grants were a central element in their individual policies.

If the burden of funding became impossible to sustain, if voluntary co-operation policies break down and if the measures in the Bill fail to halt the erosion of landscape and wildlife habitats, more stringent measures will undoubtedly be introduced on some future occasion. The commission intends to keep a close watch on developments, and advise ministers accordingly. For the moment however we have a Bill which promises rather more than many of its critics seem to acknowledge. As an Act it should be given a fair trial by all of us.

Yours faithfully,
DEREK BARBER, Chairman,
Countryside Commission,
John Dower House,
Crescent Place,
Cheltenham.

From Dr A. S. Thomas
Sir, Mr Grove-White (October 6) fails to understand that the way to secure cooperation from any farmer, African or European, is to let him feel that you are under obligation to him, and not to mention legislation or money.

When I joined the staff of the Nature Conservancy 30 years ago, I found that most professional ecologists were townsmen who regarded the countryside as natural and stable, ignoring the inevitable changes observed by us who lived on farms. I was shocked that the Sites of Special Scientific Interest which I helped to demarcate were notified to local authorities, not to the owners or occupiers of the land.

"The country's natural heritage" was the forest and swamp with which it was covered before farmers tidied up the landscape, giving scope to the light-demanding plants, the birch and the insects which now delight naturalists. Soils have been transformed by drainage and fertilizers and, in consequence, the present cover of plants growing in the soil is as unnatural as are the buildings erected above on the nature ecologists have learnt as much about the requirements of rare wild plants as the agricultural scientists have learnt about the requirements of cultivated plants, and could report increases in these rarities on the nature reserves which now cover about one hundredth part of Britain, then there would be less need to schedule other areas which temporarily suit those rarities.

And if officiousness were replaced by politeness, talk of legislation by requests for help, then the future of our wildlife might be economically safeguarded.

Yours faithfully,
ARTHUR THOMAS,
Goodings,
Sloe Lane,
Afriston, Sussex.

New thinking on fares

From Mr Duncan Cardow

Sir, As most London residents and workers will know, London Transport has reduced bus and tube fares with effect from October 4, 1981. This move was the principal promise by Mr Livingstone when Labour took control of the GLC and I was reminded of how it is to be paid for when I received my supplementary rate demand last Thursday.

As a concession of employment with London Transport all employees receive free travel on buses and tubes and I understand that in lieu of the reduction in value of free travel all employees are to receive a £50 cash payment. London Transport should be looking for savings to compensate for the fare reduction and not giving away more money to compound the problem.

Yours faithfully,
DUNCAN CARDOW,
44 Hamilton Park West, NS.

Apostates from Islam

From Mr A. L. Tibawi

Sir, May I add a footnote to the admirable article by Mr Clifford Longley (October 5) on the declaration of human rights sponsored by the Islamic Council of Europe? I was consulted by the Secretary General about a draft, but I was not given to understand that the intention was to "give comfort for Western sensitivities".

I have not seen the final text of the declaration but I doubt whether it "does in fact recognize the rights of a Muslim to change his religion". The Koran does indeed proclaim that "there is no compulsion in religion". This refers to Islam itself and the manner of its early preaching. But the Koran also proclaims that Muhammad is "the seal of prophets". He brought to mankind the final divine message, superseding all messages brought by preceding prophets. Hence the two verses in the same surah: "The true religion with God is Islam", and "Whosoever follows another religion than Islam, it shall not be accepted of him, and in the next world he shall be among the losers".

Accordingly under Islamic law the penalty for apostasy is death. And I know of no Islamic country which abrogated this punishment in any of its civil laws. No doubt those who produced the final text of the declaration are well aware of these provisions in the Koran and the Shari'ah. I am therefore puzzled; how did Mr Longley gain the impression that the declaration legalizes both apostasy and the freedom of non-Muslims to proselytize Muslims?

Yours faithfully,
A. L. TIBAWI,
7 Cranbrook Drive,
Essex,
Surrey.

Staying afloat

From Dr Charles Goodson-Wickes

Sir, One answer to the problems of maritime administration set out so admirably by Mrs Elizabeth Young (October 5) is the establishment of an agency to protect the interests not only of this country, but of the EEC as a whole. London, for geographical, historical and political reasons, is the obvious site and there is the added advantage of the presence of the Inter-Governmental Maritime Consultative Organization in the capital.

Perhaps this might be an appropriate and imaginative proposal for Lord Carrington to promote during his Presidency of the Council of the Ministers?

Yours faithfully,
C. GOODSON-WICKES,
95a Jermyn Street, SW1,
October 6.

Closed churches

From The Reverend N. Jackson-Stevens

Sir, It may be said to find churches locked with no indication where keys may be obtained (letters, Oct 5) but more deplorable is the absence of notice of times of services.

I recently drove to three East Anglian churches before discovering the one within the group celebrating Holy Communion that day. Currently Exeter Cathedral is advertising its services for the week beginning 17th May in the Royal Clarence Hotel across the Cathedral Yard.

Yours faithfully,
N. JACKSON-STEVENS,
The Vicarage,
Swimbridge,
Devon,
October 5.

Halcyon weather

From Mr P. M. Thompson

Sir, Philip Howard, in "Halcyon days..." (October 5), is right to remind us of the proper application of this expression. But he gives only one, if charming, version of the Alkyone (or Halcyone) story. The more common version I believe, is that Alkyone and Keos were guilty of some act of hubris — possibly, as Ovid has it, of addressing each other as Zeus and Hera — and that as a punishment they were transformed into birds and condemned to roam in eternal winter.

However, the gods are said to have relented, because of the couple's good connexions, and granted them an annual fortnight of more clement weather, which nowadays usually turns up at the very beginning of the New Year, rather than before the solstice.

Yours faithfully,
PETER M. THOMPSON,
98 Holland Road, W14,
October 7.

David Wood

No welcome for a Brutus in Blackpool

As 4,000 or more constituency representatives (a plague on anybody who calls them delegates) make off for Blackpool today for the opening of the Conservative Party Conference let us be sure what their errand is.

They have not been summoned there by Mrs Thatcher as party leader, Ministers in the Government she presides over, the party chairman, or the 1922 Committee in the Commons. They will be there at the bidding of the National Union of Conservative Associations, theoretically to discuss how to support their party in Parliament. It will be little more than coincidence if Mrs Thatcher, ministers and MPs, turn up in the hall to note what the representatives say or resolve.

Historically, that states the position, though not the practice. Why? Simply because with the coming of adult suffrage last century, Conservatives in Parliament created their party in the constituencies. With Labour it was the other way round. It was a coalition of trade union and other organizations outside Westminster that created the Parliamentary Labour Party to represent them in the Commons. The difference of origin and therefore constitution still misleads the innocent.

Fewer than 20 years ago Conservative Party leaders deliberately kept aloof from party conferences. Winston Churchill even chose to stay isolated or insulated in Lytham St Anne's rather than Blackpool and, like Harold Macmillan used to arrive on Friday night merely to address a mass rally on Saturday and receive a hero's welcome from the constituency

THE ARTS

Television

Countdown to God

Twelve Americans, a figure with Biblical echoes, have walked on the moon and last night three of them appeared in the new series of *Everyman* on BBC 1. Two testified that they had found God; the third couldn't go right along with that as he was still searching for something or other, but he was quite definite about finding science wanting. With such a cast it seemed there could be great joy for the heavenly minded at the end of a Sunday evening.

But though *Everyman*, which I would not be without, has great worthiness, one of its shortcomings is that it sometimes tries to put quarts into pint pots, which tends to make something of a mess and leaves short measures all round. For instance, there was that night in the last series when Peter France, an excellent interviewer, confronted Hans Kung and Edward Schillebeeckx at the same time. Now theologians are like wives, one at a time is a pretty good rule: two are certain death by circumlocution.

Last night's error was to get too taken up with all that moonshot hardware, rockets, buggies, space suits — and a 35-minute countdown just does not allow for it if you are going to find the whys and wherefores of three gentlemen's post-lunar changes in direction. After all, the programme was called *Heaven's My Destination*, to which many of us would say "Amen".

The astronauts were very different people. First, Jim Irwin, a controlled kind of man, unsurprisingly a jogger; unsurprisingly because he had that taut look that comes from resignation to daily fatigue. He was born a Baptist but distanced himself from religion until Target Moon appeared. Then he sensibly decided to get things straight. The moon did the rest. Now he is an evangelist.

"I am glad I can come back from space and say 'I am alive,'" he said and talked about the moonlight experience, obviously tremendous, especially when it proved to be a return flight. But what I wanted to hear was something of his belief. What does he tell unbelievers about heaven, hell, judgment, after-life? He did not get the chance.

Next there was Ed Mitchell, the one still searching, a comfortable-looking chap, a management consultant now and the founder of the Institute of Noetic Sciences, which researches into ESP, parapsychology and alternative science. Science is a methodology," he said. "As a belief system it is disastrous." He had also come from a fundamentalist Baptist background. Now he wanted to reconcile science with man. I found his destination vague and his route circuitous but he seemed happy enough.

Lastly there was Charlie Duke, an absolutely absolute fundamentalist. "I find whenever science gets to the right answer it agrees with the Bible," he said, which must have made them duck at Mission Control. Science had distracted him from his Baptist upbringing but the moon had changed all that. He left NASA thinking he wanted to earn money, went into the beer business and did so, quickly, but found it not enough. "At 36, I had reached the top of the ladder."

When his wife converted to Christianity he followed, finding a new ladder. Some of his friends, he said, thought he had gone over the deep end.

Altogether rather frustrating. Any one of these would have made a whole programme and we might have found out a little more about their thinking. As it was they seemed more moon-struck than God-struck.

Dennis Hackett

Interview

Pictures of a cottage industry

Two films by major British directors open in London this week: Karel Reisz's *The French Lieutenant's Woman* and John Schlesinger's *Honky Tonk Freeway*. Don Boyd, co-producer of *Honky Tonk*, talks to John Higgins about the tough way into the British film industry.

Don Boyd goes to some lengths to avoid looking and behaving like a typical film producer. During the day the front door of his office on the fringe of Wardour Street cannot be reached by taxi: the way is blocked by vegetable stalls and the mighty display of the Chicken King, who is reputed to sell quantities of plucked fowl during the working week. Boyd is 32, public school educated and Scottish; he does not talk in superlatives, which makes a change on the preview cinema circuit. And he admits to having made a few mistakes since he first forced his way into the closed world of feature films with two pictures the critics did not much care for called *Intimate Reflections* and *East of Elephant Rock*.

When *Honky Tonk Freeway*, co-produced by Boyd and Howard Koch Jr. and mainly financed by EMI, opens in the West End this week he will be much better equipped to withstand the critical reaction, which, if the American example is anything to go by, is likely to be mixed. Rex Reed and Judith Christ gave it their seal of approval but *Variety* reserved its own very special brand of vitriol for its notice.

"I made a number of miscalculations when launching *Elephant Rock*, the biggest of which was to appeal to the better nature of the critics. I presented myself as a young guy new to the business, which was true, and asked them to be nice to the picture. They weren't."

"In retrospect I feel that it was pretty unjustly treated. There were flaws in the script and probably the mood of nostalgia was miscalculated, but John and Jeremy Kemp were terrific. But when I was accused of remaking *The Letter* I didn't know quite what had hit me — I had never seen Maugham's *The Letter*, let alone read his short story on which it was based. The other day I re-ran *Elephant Rock* and it did not look a bad £90,000 worth."

Honky Tonk Freeway, directed by John Schlesinger and with a substantial posse of Schlesinger's favourite American actors, is a rather different financial proposition. It concerns the fight of a small Florida town to resist the takeover of its nearby freeway and so rekindle its dying tourist business. Like *Midnight Cowboy* it shows Schlesinger's fascination with the more tawdry aspects of American life. In the first instance Boyd himself was going to direct it.

It began as quite a modest project. Like most of my films, based on a book I had seen while driving around the



British film-maker Don Boyd, and right, William Devane leading the fight for the tourist trade in *Honky Tonk Freeway*

States. I took the idea along to Barry Spinkings at EMI, who approved it but felt it was not suitable for a small-budget picture. So it grew and grew. Stars were engaged and John Schlesinger came in as director. So what had been conceived as a road movie in my mind's eye, while I was working with the second unit on Brian Forbes's *International Velvet*, became a \$12m film.

"When we first screened it for EMI, it was running two and a quarter hours. But, as Huddcock once said, never make pictures of a length which makes people worry about going to the bathroom. So we have cut it by half an hour."

Honky Tonk in style, size and subject looks a long way away from the films which brought Boyd his first successes in Britain. Derek Jarman's punk version of *The Tempest*, for instance, and Roy Minton's uncompromising view of Borsalino, *Scum*.

"The subjects I have chosen tend to be British because I feel part of the industry here in Wardour Street. I've absolutely no wish to work, let alone live, in Hollywood. On the other

hand, that is no reason to reject American themes. One of my next projects — and this is a film I am going to direct myself — is called *Gossip*, based on the life and manners of one of those lady columnists we know all too well. It's being scripted by two New York journalists and I hope I'll get Kate Nelligan for the leading role. I want to capture something of the mood of *The Sweet Smell of Success* or *La dolce vita* — Fellini has always been my god."

"The other work in progress, though, is British. I'm particularly pleased that Chris Petit, one-time film critic of *Time Out*, is working for us. Some surprise has been expressed that he is making P. D. James's novel *An Unsuitable Job for a Woman*, but that idea came from Chris and not from me. He sent me a couple of P. D. James and a Pat Highsmith, saying that he was attracted by the undercurrents as much as by the detective elements. Shortly after we bought the P. D. James, 20th Century Fox acquired another of her books, *Innocent Blood*, for \$1m, or thereabouts. I can assure you we paid nothing like that amount."

"The man who has championed Chris, and indeed this whole project, is David Puttnam. He has been one of the few people in the industry here who has been totally supportive, particularly at the times when he has no need to be. I came into this business almost totally blind and I bought experience dearly: I had to spend a lot of money promoting my company within the trade and I learnt quickly that, if you go in with no favours owing, then you are likely to be in trouble. I was accused of going on an ego-trip. I wasn't. It was the only way to get a foot inside the door."

"What has hurt most over the years is the realization that a number of my contemporaries simply did not want me to succeed. And, in some cases, still don't. Maybe I'm paranoid about that, but I don't think so. I see this office as a clearing house where people come in with their ideas. I am not a hustling producer who puts together a project and looks around for a director to make the film; I'd rather the director came to me. And I certainly don't see myself as a studio head: we're still far too much of a cottage industry."

Theatre

Acting unnaturally

Romeo and Juliet

Aldwych Theatre

Unnatural acts are committed in the Royal Shakespeare Company's *Romeo and Juliet*. Not only the unnatural acts of performers pretending to commit the natural acts of murder and suicide, but also actors forcing the public to suspend disbelief in Ralph Koltai's stiff stage setting. Ron Daniels, whose production it is, neatly slides past the lack of a balcony by admitting Romeo into a garden of the imagination where he and Juliet may easily wander. He finds no neat way to bring on Juliet's supposed corpse, create a tomb and have Friar Lawrence stand next to her and explain that he must make his way to Juliet before she wakes in her grave. Not for the only time the audience must obligingly ignore the actual stage picture, forgetting that the body has just been placed at stage level with great ceremony. The design is cruelly limiting to the dramatic flow of the play.

One advantage of the setting is its resemblance to a city street. That encourages the rival families to behave like street gangs and while Mr Daniels never precisely

evokes *West Side Story*, he captures the adolescent qualities of the play in a more vital fashion than usual.

His actors are young and unfamiliar, and the roughness of their aggression is both ritualistic and real in appearance. The street fight that leads to the deaths of Mercutio and Tybalt is initially an exercise in masculinity without deadly intention. It escalates through the convincing hot-headedness of Chris Hunter's Tybalt, spurred on by the aristocratic superiority of Jonathan Hyde's disdainful Mercutio.

For a while that youthful mood keeps the play afloat, and it keeps Anton Lesser's Romeo motivated all the way to his death: his passions are young and all-consuming. It is not quite so for Judy Buxton's Juliet. She is captivated in her moments of happiness, girlish indeed in her discovery of love, but her grief is operatic and unmoving.

The adult dimensions of the production, and most of the adult performances, interfere with the drama as surely as Mr Koltai's design. There is no living characterization among the older generations, with the sole exception of Brenda Bruce's nurse.

Ned Chaillet

Rock

Laurie Anderson

Riverside Studios

To express inner tension through the studied composure of elements of civilized behaviour is the tactic chosen by an American strain which includes the rock singer David Byrne, the short-story writer Donald Barthelme and the performance artists Robert Wilson and Laurie Anderson. Miss Anderson, a post-punk gamine who appeared in London over the weekend, matches any of them for external self-possession and a calculating ability to confuse the commonplace with the bizarre.

On a set so severely elegant that it might have been designed by Mr Wilson, she presented extracts from her work *United States*. The 21 vignettes encompassed songs, instrumental music, films, slides, light-play and mime. Each piece conveyed an elliptical, dream-like effect: taken together they seemed to make a statement, not least a reaffirmation of the much-

abused potential of mixed-media performance.

Miss Anderson plays the violin with a bow on which magnetic tape has replaced horse-hair; in conjunction with electronic effects this made her sound like a psychedelic orchestra on "Cinema Song", the artificially harmonized line wavering microtonally above a sombre drone. Another device raises and lowers the pitch of her unnaturally calm voice to exaggerated degrees, and adds a robotic hollowiness.

Her oblique, anecdotal speeches achieved a surrealism which echoed the words of William Burroughs, projected on to the screen as an epigraph: "Language is a virus from Outer Space". For the finale, the screeching violin and racking tape, percussion accompanied film of a neon Statue of Liberty and a whirling Stars and Stripes, closing a performance of outstanding wit, economy and intelligence on an unusually rhetorical note.

Richard Williams

Opera

A Midsummer Night's Dream

Apollo, Oxford

Benjamin Britten's operatic setting of Shakespeare's Athenian fantasy came of age this year, and was greeted to magical applause by Sir Peter Hall and John Bury at Glyndebourne. Bravely, Glyndebourne. Touring Opera have included it in this month's repertoire: it can be seen on forthcoming Fridays, respectively in Nottingham, Southampton and Manchester. I went to it in Oxford last Friday.

The young GTO cast had all understudied their roles in Sussex this summer, and several principals had sung in it elsewhere. They work well together, and individually, already at home in Hall's production, staged for the tour by Guus Mostart, and watchfully conducted by the company's chorus mistress, Jane Glover.

There is room for starchy performances in Britten's setting. John Michael Plana-gan's Bottom, bulky, brimming with enthusiasm and activity, is one: his bass-baritone is not yet large, but it projects well, even in these awkward acoustics, and his clowning, quite unsophisticated, compels amusement, for example in the scene with Tyndarus and her four fair minions. He wears the ass's head to admiration.

Hall's other "rude mechanicals" were, if anything, under-characterized at Glyndebourne. On tour we have Adrian Thompson's forthright Flute, and Roger Bryson's quietly authoritative Quince, while Christopher Ross qualifies Snug's lion for a place in *The Muppet Show*. Britten set his paradoxical sights too low in the "magical mirth" of their play: at Glyndebourne Sir Peter removed the embarrassment, but on tour that is not quite avoided.

The lovers, on the other hand, almost dominate the piece now, so personable and vivid do Helen Walker (Helena) and Jane Findlay (Hermia), Peter Jeffes (Lysander) and Henry Herford (Demetrius) make each of them — all are well known to GTO and other operatic audiences. The pursuits, confusions, the major quarrel, and the lovely quartet of jewelled rediscovery, were all conveyed as

strongly as anything in the opera which, when new, was supposed to treat their contribution unfeelingly. The supernatural characters occasion less respect here. The Oberon and Tyndarus can sing their music, but lack venom, a quality richly projected, however, by GTO's Puck, 15-year-old Dexter Fletcher, a like tumbler and vivid speaker whose mairno punks attitudes emphasize that real fairies are cruel, not pretty.

The essentials of Hall's production are on view: the trees and bushes as animated as the people who move them about, the dry-ice mist at the end of the second act, lovers asleep, Puck aswim in the flood. Small details have had to be adapted for touring, and at Oxford I admired, without being, as at Glyndebourne, enthralled. Perhaps the strange theatre, perhaps the lighting-board, reduced a magic spell into a decent operatic representation. Britten's magic did not, by itself, restore the enchantment. It is still, if incompletely, a great production of the best Shakespeare opera since Verdi's *Falstaff*.

William Mann

Ballet

Isadora

Covent Garden

Opening the Royal Ballet's season at Covent Garden on Saturday night, *Isadora* proved to have shed about 15 minutes since last season. The chief sacrifices are the pianist whose grappings with the heroine on the floor of Paris Singer's house were one of the more ludicrous episodes, and the hecklers who previously interrupted one of Mary Miller's harangues in her role as Isadora's voice.

However, the complaint about the ballet, voiced pretty generally, it seems, was not about its length but that it

was misbegotten; and the more often you see it, the more apparent that is. Even the fact that Merle Park has managed to give more weight and drive to solos cannot hide the fact that Kenneth MacMillan's choreography never comes remotely near indicating why people all over the world considered Isadora Duncan a great dancer.

It is difficult to take seriously an account of Duncan the dancer which completely ignores Greece, unless you count the allusion to brother Raymond's odd clothes (and they surely came later than shown); nor one that has a sailor and a tango partner as important characters while leaving out Rodin.

Perhaps we all misunderstood, and MacMillan really meant the whole ballet as a farce. That would explain the musical-comedy style of the first dance scene, at the railway station; also the long series of parodies of dance styles: ballet, Spanish, Loie Fuller, Russian, American.

Unfortunately, even the bits clearly meant to be funny are not well done: the choreography for the Spanish dance troupe, for instance, would hardly get by as an improvisation for a rag concert. There is something slightly desperate about the way the dancers play that and some of the other parts; and who can blame them?

John Percival

Concert

Hallé/Loughran

Festival Hall

The Hallé has over the years cultivated a special friendship with Berlioz. Its founder knew the composer well, and Hamilton Harty in the 1920s had Paris critics visiting to see how the relationship was going.

The orchestra still plays as though acutely aware of its long association. In his *Nuits d'été* it touched in the finely selected colours of Berlioz's meticulous scoring with a welcome delicacy.

Particularly in "Le spectre de la rose", which earned its own spontaneous applause, its approach was minutely sympathetic to Dame Janet Baker's performance, her control of the musical line as sure and as subtle as Berlioz's setting of Gautier's words, and a deeply moving contrast in its remembrance of things past to the live immediacy of the preceding "Villanelle".

"Long and not particularly amiable" was how Brahms described his First Symphony. And if on Friday we were not entirely persuaded that the reverse was true, it was due less to the quality of

playing and more to Mr Loughran's stern, austere classical reading, too unyielding to release the power, charge the conflict in the outer two movements, or liberate the lyrical heart of the second. It was probably not a performance for Brahms lovers to hold close to their hearts, yet Mr Loughran's unforced, no-nonsense treatment of the last movement's great melody epitomized a plain strength and directness of speech which had its own considerable appeal.

Hilary Finch



EVELYN WAUGH'S

BRIDESHEAD REVISITED

ITV tonight at 8.05

then every Tuesday at 9pm from 20 October

GRANADA TELEVISION



In bookshops now

JOHN OSBORNE
A Better Class of Person
An Autobiography 1929-1956

Faber £7.95



New call for Thatcher to make a U-turn

By Rupert Morris

A hefty nudge to persuade the Government to change direction of its economic policies comes today from one of its most loyal supporters, the Association of British Chambers of Commerce.

It calls for a £2,000m investment package in defence, telecommunications, roads, and railways, with positive support for industry through the introduction of two-tier interest rates and other specific measures.

Sir Monty Finniston, the president of the association and former British Steel chairman, says in his foreword to the association's paper entitled *A Policy for Industry: The regeneration of our manufacturing industries has now become a matter of utmost urgency.*

Mr James Ackers, chairman of the association's economic and industrial committee, was reluctant to make any direct criticism of the Government and emphasised the association's support for the 4 per cent public sector pay target.

He added: "If the Government is too concerned about the public sector borrowing requirement, and fails to take measures to improve the economy, the pressure on the PSBR will get worse. The Government must come to decisions about what industries it wants to retain and be prepared to spend money on research and development."

Lower interest rates are urged as a priority and the association's paper suggests a subsidised rate for companies with United Kingdom manufacturing operations. Mr Ackers said he had in mind the sort of system that operated in France and Belgium where there is a 3 to 4 per cent difference between the general and the subsidised rate of interest.

Without a change of trade policy the association warns that Britain could become "the dumping ground of Europe". The Government is urged to take a firmer line on observing the rules of the General Agreement on Tariffs and Trade, to abandon its "legalistic" approach and be prepared to retaliate whenever British entry into markets is unfairly obstructed.

Spending on transport and telecommunications would also help business and produce an increase in national income.

Of Britain's declining manufacturing industry, the paper says: "The tax yield on oil has risen as a result of escalating energy costs which are paid by British industry and Government has used this revenue to finance social spending rather than to reduce other industrial costs."

Treasury policy over the past two decades is criticised for restricting credit at times of economic crisis, then paying out more in social benefits to appease public anxiety about unemployment.

The key to industrial success, says the association, must be the reconstruction of the consumer durable industry, which provides a ready market for components. Three other sections are suggested for priority treatment: civil aviation, the defence industries and construction.

Allbook and Hasfield of Nottingham, Birtley Engineering of Chesterfield, Dovy Neco of Worcester and Quaker Hail of Barnsley have been invited to China next year in return for the recent visit of the Chinese Machinery Import and Export Corporation (Machimpex).

Economists press for £5,000m reflation

By Melvyn Westlake

Fourteen front-rank economists today called on the Government to reflate the economy with a £5,000m two-stage boost to output and employment.

The call comes from the 14 academic economists who form the Clare Group, chaired by Professor Robin Matthews, Master of Clare College, Cambridge. Others include Sir Alec Cairncross, an economic adviser to an earlier Conservative Government, Professor Reddaway, adviser to the Confederation of British Industry, Professor Marcus Miller, a former adviser to the House of Commons Treasury Committee, and three other former economic advisers to governments, and an economic adviser to the Midland Bank.

Under this plan, which is dependent on the willingness of trade unions to moderate their wage claims, the Government would introduce an expansionary Budget this autumn, pumping £250m into the economy immediately, with a second instalment in the spring if wage demands were at an acceptable level.

In the latest Midland Bank Review, published today, the economists say that the present economic policy has miscarried in a number of ways. They say that there is now a clear need for policies to restore the competitiveness and profitability of United Kingdom industry.

The nation's unit labour costs must be brought down relative to output prices and to those of overseas competitors by combining a further depreciation of the pound's exchange rate, cutting taxes on labour, slowing down wage growth, and improving productivity by each worker as the economy recovers.

The Government's monetary targets would be relaxed, but monetary control should not be abandoned altogether. Such targets should be kept in some



Sir Alec Cairncross: Government policies criticised.

form to act as a long-stop in case wages rise too fast. Salient features would be a reduction in the employment tax, the Insurance Surcharge, increased tax allowances cut back value added tax, and some trimmed nationalised industry prices. Public spending would be increased.

Although the total package would amount to £5,000m, the effects on the public sector borrowing requirement is estimated to be nearly £3,000m. This is because of the savings on unemployment benefit and the extra tax revenue that would result from higher incomes. These measures would be implemented in two stages. If the trade unions wanted the second stage of this package to be carried out, they would have to demonstrate their preparedness to moderate their pay demands.

The sums involved are no more than two per cent of the nation's gross domestic product but the economists say that they

are more attached to the mode in which measures are presented—their conditionality—and the prospects they offer for further steps in the future, than to the arithmetic of the measures themselves. They want to see Government, management, and unions pulling together.

Rebutting arguments that the proposed boost would push up interest rates and "crowd out" private investment, the Group argues that such investment is constrained not by dear money but by the gloomy outlook for the demand for goods. Higher government spending would probably "crowd in" more business activity than it would "crowd out".

Referring to the damage done by the excessively high sterling exchange rate that prevailed until the beginning of this year, the economists say that when such increases in the value of the pound are only temporary, the effect is somewhat like an income policy. It is liable to create an illusion that counter-inflationary policies have worked better than they will prove to have done when the pent-up forces are released.

In an apparent desire to make their policy recommendations more palatable to the government, the economists believe that a change in economic policy need not mean jettisoning all that has gone before. "In the present context, the policy shifts which are called for do not in our view require the abandonment of the fight against inflation."

However, they want to see a further drop in the pound. At present international wage and price levels, a return to full employment in the United Kingdom would require a "real" exchange rate at least 10 per cent lower, and possibly as much as 20 to 30 per cent lower.

US threat to limit steel imports

From Peter Hill, Toronto, Oct 11

Europe's struggling steel makers are facing a new threat to restrict their exports to the important United States market. American steel companies worried by the incursion being made in a weakening market by European and other producers, are pressing the Reagan Administration to tighten import controls.

Formal calls for investigations may be lodged with American regulatory agencies in the next few days.

Prospects of anti-dumping investigations being reactivated by American steel makers would pose a serious threat to the fragile recovery programme being undertaken by European producers and the European Commission.

The possibility of further difficulties in steel trading between the EEC and the United States has cast a shadow over the annual conference of the International Iron and Steel Institute which begins here tomorrow and is being attended by the world's steel industry leaders.

US Steel, America's largest producer, has intensified its



Mr MacGregor: "Trigger price" is preferable.

lobbying in Washington and is reviving anti-dumping suits which it withdrew three years ago. Together with the American companies, US Steel is alleging that foreign governments are subsidising steel exports to America.

The steelmakers want President Reagan to increase "trigger prices", the mechanism which is designed to prevent foreign producers from selling steel in the US market at prices below production costs. Based on Japanese production costs, the trigger price establishes a minimum price for imports, and any steel sold below that level can be investigated and if warranted duties can be imposed.

So far the Reagan Administration has refused to meet the industry's demands to increase trigger prices.

The threat of further controls is expected to dominate informal exchanges between steel industry leaders here over the next few days. Any action taken by the United States would hurt the British steel industry, particularly the British Steel Corporation which has been clinging back business in the United States market which it lost last year.

Mr Ian MacGregor, the BSC chairman, said here today that the trigger price mechanism in his view was preferable to other alternatives.

"The troubles over US-EEC steel trade are symptomatic of the European steel glut where steel runs out of one market into another," he said.

Jobless will rise to 3.5m, brokers say

By Our Economics Staff

Two economic forecasts published today predicting that unemployment will rise substantially above three million next year.

According to City stockbrokers James Capel, any recovery in the economy is likely to be absorbed by the latest 4 per cent rise in bank interest rates and the continuing deflationary thrust of fiscal policy. As a result, the rate of increase in unemployment could start to accelerate again.

This will induce a more realistic pay round, but the forecast says the effect will be to depress real incomes severely. With the rate in mortgage and this implies that consumer

spending will decline sharply over the next 12 months. Companies may again reduce their stocks in the face of weak demand and the high cost of bank borrowing, the brokers say.

As a result, the level of jobless could reach 3.5 million by the end of next year (including school-leavers and not seasonally adjusted).

Another stockbroker, Simon and Coates, says unemployment could be around 3.25 million after next year's school-leavers join the labour market.

The brokers say the output measure of gross domestic product may not have reached its lowest point.

BNOC chief hits out at Whitehall

The Government's North Sea taxation policy, and how the oil revenues are being spent, comes under attack today from the Philip Shelbourne, chairman of the state-owned British National Oil Corporation.

It is important to have the right balance in taxation to encourage investment in exploration and development, he says in the latest *Coast and Energy Quarterly*.

The introduction of Special Petroleum Duty in the last Budget had led several companies to postpone investment in exploration and development projects.

"Since production of oil commenced on the United Kingdom Continental Shelf, there have been 13 changes in taxation, including six changes in the petroleum revenue tax since 1979."

He agreed with the Government that the oil production peak, due in the middle 1980s should be flattened to conserve supplies. "But this must not be done at the expense of exploration and development," he said.

Mr Shelbourne thought the oil revenues received by Whitehall should be used to ensure adequate future energy supplies.

Training plans under fire

By Our Correspondent

Government hopes of creating a modern industrial training system through voluntary arrangements by employers and unions are facing growing opposition.

The Conservative-controlled Association of County Councils and the Government's own further education unit are among the latest organisations to say that the idea will not work.

Mr Norman Tebbit, Secretary of State for Employment, will hear some of the criticisms at a conference of the British Association for Commercial and Industrial Education at Wem-

bley today. Leading figures from industry, education, and Whitehall, are addressing the two-day conference which was called to discuss how apprenticeships can be reformed, how education and training can be provided for persons under 19, and training can be opened up to all workers.

The main issues are whether this can be done without placing statutory obligations on employers and whether employers and the Government should pay.

US 'answer' to Siberia gas

The United States, which is opposing the proposed Siberian pipeline to provide gas for Western Europe, is expected to suggest other options this week, says State Department and Energy Department representatives testify before a Congressional Energy Committee in Washington.

Senior administration officials yesterday reviewed a draft of a report designed to dissuade West Germany and other European allies from

going ahead with financing a Trans Siberian natural gas pipeline.

The proposed 3,600-mile pipeline would transport an estimated 40 million to 70 million cubic metres of natural gas from the Soviet Union to Western Europe over the next 20 years.

The United States has expressed concern that the sale of gas would increase European dependence on Soviet energy supplies.

BUSINESS BRIEFING

Oil prices 'not rising'

The Organization of Petroleum Exporting Countries does not expect any rise in its prices next year, Dr Subroto, Opec's president (right), said in Manila.

This would mean a decline in real terms, Dr Subroto, Indonesia's Mines and Energy Minister, told a conference of the Asian Council on Petroleum (Acopet). "The feeling among Opec members is that we should freeze the price in 1982 to give a chance to the world to recuperate from economic sickness."

Shoes jobs stay despite squeeze

No further redundancies showed up in the latest returns from the British Footwear Manufacturers Federation, despite static retail sales and declining deliveries to the trade.

The sales slump meant that 9.8 million pairs were "absorbed" by the trade in July compared with previous month's 10.8 million.

Orders in July were also down nearly 27 per cent, although five-month figures indicate some trend towards recovery at 13.6 per cent up.



The trend towards a decline in oil demand among the developed nations, by about four per cent in 1981, would be offset to some extent in 1982 and beyond by increased demand

Print recovery hopes 'dashed'

Hopes of a recovery in the demand for printing have been dashed by the recent increase in interest rates, according to the British Printing Industries Federation.

Stock building will be inhibited even when the retail trade moves towards the Christmas sales peak, the federation says. Sterling's decline, however, has given some relief from imports competition although this has not resulted in firmer prices in printing.

There has been a slight reduction in the proportion of companies with below-normal order books.

Ronson deal completion

Mr Jeffrey Port's private Cavain group is to announce the completion of the purchase of Ronson Products later today. The lighter and electric shaver group went into receivership in August, with debts estimated at between £6m and £8m but Mr Port is not expected to disclose his purchase price.

Ronson formerly employed 1,250 staff but this number was halved on the receiver's appointment. It is not clear how many jobs will be saved at the Leatherhead, Surrey and Tyne and Wear factories. Mr Port has said he will try to save as many as possible.

Oracle extension

ITV's Oracle teletext service begins regional transmission in the Scottish television area today.

THIS WEEK

Today: Mr Peter Rees, Minister for Trade, to report on his recent export promotion mission to South-East Asia. Japan Trade Mission members to give their views on last week's talks with CBI and ministers. International Iron and Steel Institute starts annual conference here in Toronto.

Tomorrow: Provisional figures for industrial production. Wednesday: Figures for indices of average earnings

VW America prices up

Volkswagen of America is raising its suggested retail prices for 1982 model cars and light trucks by an average of 3.4 per cent or \$250 a unit from comparable 1981 prices.

VW said the increase applied to both domestic and imported vehicles sold in the United States.

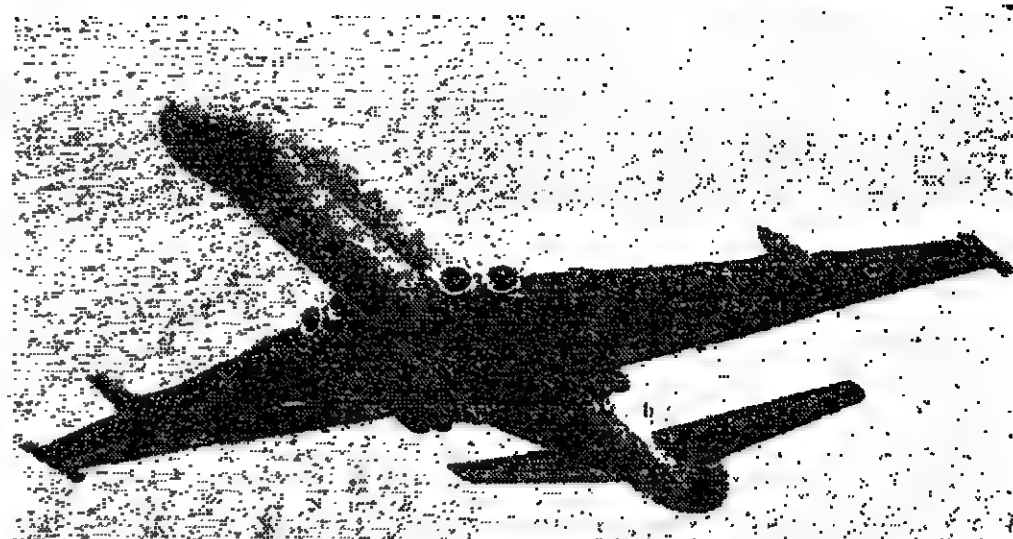
Training for 300

Six industrial training boards are to offer many as 300 places to unemployed young people in chemical, ceramics, glass, petroleum, rubber, plastics, print and paper products.

Increases in the prices of gold and silver in 1982 are forecast by *Analysed Metal Trading* in its second issue of Metal and Economic Trends.

Oracle extension

(August) and basic rates of wages (September). Thursday: Sir Geoffrey Howe, Chancellor of the Exchequer, and Mr Gordon Richardson, Governor of the Bank of England, to speak at the City dinner for bankers and merchants at the Mansion House. Bank of England to release details of United Kingdom banks' assets, liabilities and money supply, together with London dollar certificates and certificates.



The Nimrod Mark 3, Britain's latest airborne early-warning system

Government veto threatens big order for Nimrods

By Arthur Reed, Air Correspondent

Concern is growing within the aerospace industry that Britain will lose multi-million-pound orders for airborne early-warning systems for Saudi Arabia.

Indications from Westminster and Whitehall are that the Government has decided as a matter of policy to allow the United States a clear run in attempting to win the order, which is for five aircraft, engines, and advanced avionics electronics (avionics) equipment.

Aerospace companies are puzzled by the decision, taken apparently for political reasons which are not clear to them. They believe they should have been encouraged to enter into competition with the United States for the order, and that they would have won because they claim a better performance.

All the British industry has been allowed to do is to indicate to the Saudis that the British early-warning system, contained in the Nimrod aircraft, is available. But a proposal that the three companies, largely involved in the Nimrod project should make a joint sales approach to the Saudis has found no positive response in Downing Street.

The three companies are British Aerospace which makes the aircraft; Rolls-Royce which produces the four jet engines which power it; and Marconi Avionics, which has developed the equipment which goes on board.

Each fully equipped Nimrod costs as much as £50m and there would be additional contracts worth many millions of pounds for ground stations.

British Government policy appears to be that Britain should make a strong sales pitch only if American sales efforts fail. The British industry believes it should be allowed to compete for the order because not only would it stand a good chance of winning and creating several thousand high-technology jobs in Britain, but it would also reduce the price of the 11 early-warning Nimrods being produced for the Royal Air Force.

The early-warning Nimrods, based on the well-liked Comet airliner airframe dating back to the early 1950s, is competing with an American system carried aboard Boeing 707 airliner airframes. While the British system's radar is housed in bulbous fairings in the aircraft nose and tail, the American system uses a huge radar disc on top of the fuselage.

Details are secret but both systems are thought to be able to "see" low-flying intruder aircraft 200 miles further over the horizon than a ground radar station. The Saudis want the system for all-round protection.

The first early-warning Nimrod started its flight trials in Britain recently. All three companies concerned in its development and production are well placed to sell to Saudi Arabia after having a strong presence there for many years. British Aerospace has a lucrative management contract with the Royal Saudi Air Force and has sold it numerous military aircraft.

The early-warning Nimrods, based on the well-liked Comet airliner airframe dating back to the early 1950s, is competing with an American system carried aboard Boeing 707 airliner airframes. While the British system's radar is housed in bulbous fairings in the aircraft nose and tail, the American system uses a huge radar disc on top of the fuselage.

Details are secret but both systems are thought to be able to "see" low-flying intruder aircraft 200 miles further over the horizon than a ground radar station. The Saudis want the system for all-round protection.

The first early-warning Nimrod started its flight trials in Britain recently. All three companies concerned in its development and production are well placed to sell to Saudi Arabia after having a strong presence there for many years. British Aerospace has a lucrative management contract with the Royal Saudi Air Force and has sold it numerous military aircraft.

Mercedes to tackle 4-wheel drive market

A new and formidable foreign manufacturer is about to join the growing number of challengers for Rover's longstanding leadership of the four-wheel drive car market in Britain.

Mercedes will be the first in the field with a four-wheel drive car offering automatic transmission and differential locks on both front and rear axles as standard. With prices varying from £12,910 to £14,650, the Germans will be the price leaders, but only marginally above Range Rover.

Mr David Thomas, marketing chief of Mercedes-Benz UK, said yesterday in the past six years there had been a considerable increase in the new owners achieving growth at the expense of Land-Rover and Range Rover. In particular, Toyota, Daihatsu, Suzuki and Subaru had between them captured 40 per cent of the market.

The United Kingdom market had fallen from an all-time high of 12,356 registrations in 1980 to an estimated 10,400 this year, but there was plenty of enthusiasm in the Mercedes camp because the "G" series—short

for Geländewagen—had been specially tailored for British tastes.

The "G" has had a chequered time since it was put into production in Austria two years ago, after a much heralded joint venture announcement with Steyr Daimler Puch. The Austrians had very different views from Mercedes on the priority to be given to overseas markets. Top of the disagreement list was the requirement for right-hand drive. Stuttgart wanted it; the Austrians did not.

Now the partners are splitting up. Mercedes is selling its half of the company at Graz to Steyr. From now on, the Austrians will build "G" cars for Mercedes on a contract basis only. The Austrians will use the Puch nameplate and concentrate on Switzerland, Yugoslavia and the Comecon countries, and the Germans will sell to the rest of the world.

The German motor industry is suggesting that the split has opened the way for Mercedes to build the "G" car in Germany and this will begin before 1986.

New Sainsbury store in Leeds

J. Sainsbury opens its third Yorkshire superstore tomorrow at Moor Allerton, Leeds, part of a drive by the London-based grocery multiple to expand its retailing activities in the north of England.

The new store on the 12-acre Moor Allerton centre for which Sainsbury is the developer has created 153 jobs, some of them part-time. The development includes a Homebase DIY store.

This advertisement is issued in compliance with the requirements of the Council of the Stock Exchange and is not an invitation to anyone to subscribe for or to purchase any share capital of the Company.

MALAYAN TIN DREDGING (M) BERHAD

(Incorporated in Malaysia)

SHARE CAPITAL	
Authorised	Issued or now being
Malaysian Ringgit 50,000,000	Issued fully paid Malaysian Ringgit 39,582,579
Malaysian Ringgit 50,000,000	Ordinary Shares of 10 Malaysian Sen each

An Extraordinary General Meeting of Malayan Tin Dredging (M) Berhad ("the Company") was held on 10th October, 1981 at which shareholders approved the merger of the Company with Malaysia Mining Corporation Berhad and an increase in the authorised share capital of the Company to Malaysian Ringgit 50,000,000. In addition shareholders approved the change in name of the Company to Malaysia Mining Corporation Berhad. The change in name will be effected after the necessary local Malaysian legal requirements are met.

The Council of the Stock Exchange has admitted the share capital of the Company issued or now being issued to the Official List. Dealings in the shares will commence on 12th October, 1981.

Particulars of the Company are available in the Extra Statistical Service and copies of such particulars may be obtained during business hours on any weekday (Saturdays and public holidays excepted) up to and including 26th October, 1981 from—

N. M. ROTHSCHILD & SONS LIMITED
New Court, St. Swin's Lane,
London EC4P 4DU
and from
ROWE & PITMAN
1st Floor, City Gate House,
39-45 Finsbury Square,
London EC2A 1JA

Stock Markets

FT Index 498.2
FT Gilts 62.29

Sterling

£1.9010
Index 89.4

Dollar

Index 106.4
DM2.1920

Gold

\$453.00

Money

3 mth sterling 15½-15¾
3 mth Euro \$ 164-16
6 mth Euro \$ 161-164
Friday's close

Norway opens rich oil block

The Norwegian Labour Government, which steps down today, on Friday approved a start on developing North Sea Block 34/10, the so-called black block.

Licence holders in this oil- and gas-rich and exclusively Norwegian-owned block are operator Statoil with 85 per cent interests, Norsk Hydro (9 per cent) and Saga Petroleum.

China overture

The Bank of China has announced that it is ready to establish full business relations with Taiwan banks as part of China's reunification plan. Taiwan has already scorned Peking's peace overtures.

The bank wants both sides to handle direct commercial and non-commercial exchange transactions.

Not only has the financially stretched Tesco been slowing the rate of new store building but Asda is also known to have eased back slightly.

There have been some delays at Sainsbury's, too, but Mr Davis says that has occurred because experience is showing that some units should be larger than had

The Homebase DIY store Croydon

The food superstore has nearly 23,000 square feet of selling area. The separate Homebase, in which Sainsbury is an equal partner with ICB-INNO-BM, the Belgian ICB specialists, has more than 16,000 square feet of sales area including a garden centre.

Homebase says that it is not a development director who is also the Homebase chairman, of six Homebase openings planned for the next financial year only one will be linked with a Sainsbury food superstore; this will be at Southampton. But in 1983-84 another nine are planned with four linked to a food superstore.

Derak Harris

Bob Crew

special occasions.

Toby Hall, who never saw his small business man, has surprised himself by starting "Taylor Hall Publishing" in Cheshire, with a friend to handle publications for non-profit organizations. But for him and also for Michael Fry, now an antique dealer for the trade after 10

years of housework or 50 many small businesses today.

So although this particular Tops course may not have been successful in the way originally anticipated it still seems, on balance, to have enabled 13 people to find compatible work-styles profitably?

Pinner Nason

Pinna Nason.

problems. The United Kingdom activities, even though it has withdrawn from most of the loss-makers, will remain difficult for some time but the

Kingdom, Europe, Africa and the Middle East.

problems. The United Kingdom activities, even though it has withdrawn from most of the loss-makers, will remain difficult for some time but the

BY THE FINANCIAL EDITOR

Public responsibility and private capital

Anyone can call up spirits from the vasty deep. But will they come? asked Harry Hotspur of Owen Glendower. Mr Michael Heseltine is to be praised for his initiative in inviting 20 or so institutional investment managers and bankers to examine ways of revitalizing Liverpool's Toxteth and other decaying inner city areas. But can and will the money men do any good?

The banks, pension funds and insurance companies are put in an unenviable position. Clearly they will be keen to show their willingness to act as public-minded citizens and help solve a deep seated social problem. Over recent years, the growing financial muscle of the institutions has carried in its train an awareness among large investors that they are firmly in the political spotlight. Both the Wilson Committee and the spectre of direct investment by the state, have concentrated minds and drawn them out of the shadows. So there is reason to assume that the senior managers seconded from the banks and pension funds will be free with aid and advice on the regeneration of Toxteth. But we can be equally certain they will not be so free with their cash. There are three reasons for this. First, the institutions may have crawled (or been dragged) out of the shadows. But that is not to say they view themselves as occupying central stage in the solution of acute social problems. Pension fund managers shudder whenever the prospect of capital becoming an equal partner with industry and labour, is mentioned.

Second, financial capitalism is divisible. Banks, investment trusts, insurance companies, private and public pension schemes have different objectives and investment time-scales. For these reasons, cooperation, even in a limited context, is always difficult. Third, and most important, the institutions see their first duty as providing their beneficiaries, that is bank depositors, policy holders and the like, and the best return possible putting investment funds into Toxteth or Brixton would not be so easy to justify, especially when the funds are finding profitable havens overseas.

However, this is not to say the institutions cannot work out profitable ways of developing inner city areas in partnership with private industry and Government. But to make it worthwhile, investment would almost certainly have to be planned on a huge scale. For instance, there would be institutional interest if the Government were to build a completely new infrastructure at Toxteth, including government offices, schools, hospitals, roads and the like.

Privately, senior bankers say they are keen to participate in such grandiose schemes as the regeneration of London's docklands. But they are much less likely to be keen on providing funds for piecemeal projects which Mr Heseltine probably has in mind. It will be at the very least unfortunate if the fund managers fail to respond to the Government's initiative. They will need to play a more positive, public role in future which squares their fiduciary liabilities with their burgeoning financial power.

Export credits

Close to a consensus

The long-running battle between the big industrial countries over the size of export credit subsidies may be resolved within weeks if Japan now agrees to accept the proposals put forward in Paris last week. Budgetary problems and the high level of world interest rates, which has led to an element of subsidy never originally intended, have made change increasingly desirable and the cuts agreed in last week's mood of compromise between the United States and European Community could for instance save the Export Credits Guarantee Department, which spent over £450m on subsidies last year, upwards of £150m in the next three years.

All bar Japan are ready to lift

minimum export credit rates by 2.25 to 2.5 points bringing the minimum credit rate for the poorer countries up from 7.5 to 10 per cent, while guaranteed credit offered to the rich would rise to between 11 to 11.25 per cent. Equally important, agreement has been reached on plugging the loophole whereby mixed credits — a combination of aid and the agreed subsidized credit rate — can be used to compete for business by making the loan packages offered to buyers even cheaper.

In future mixed credits containing between 15 and 25 per cent of aid will have to be notified so other exporters have the chance to provide something equally attractive. This should help to contain a practice which the French are largely blamed for encouraging and which many would like banned altogether. Japan, with its low domestic interest rates, was reluctant to agree to charge a premium on its export credit lending and held out last week for a minimum of 9 per cent for its own credits rather than accept the 9.25 per cent minimum suggested by the other countries. However there is a fair degree of optimism that agreement can be reached with the Japanese in the next fortnight.

If last week's agreements stick — and of course they cover only a small proportion of export business covered by the ECED for British manufacturers, most of which is short-term export credit insurance and finance which does not attract subsidy — British exporters of capital goods will find their competitive stance unchanged. The ECED will save money, but developing countries embarking on large capital projects will find themselves paying more.

Cons Gold Moving up the league

Consolidated Gold Fields will from this coming Thursday be free to start buying again the shares of Newmont Mining Corporation of the United States. Over the past weekend shareholders on Cons Gold have been receiving the formal document on the rationale and cost of the operation. It bears out the idea that after the lacklustre years Cons Gold is embarking on a strategy of considerable vision. For the group has already developed significant interests in mining operations outside the United Kingdom, principally South Africa and Australia. The move into North America on a substantial scale adds a further dimension to the strategy both on a geographical level as well as a product one.

And it is a very substantial move. For Cons Gold has already spent some £70m on buying an 8 per cent stake in Newmont, which is particularly important in copper and coal. On the assumption of an exchange rate of \$1.93 to the pound, Cons Gold could spend between \$386m (£200m) and \$774m on a stake in Newmont which will be between 25 per cent and 49 per cent of the total equity, assuming no sharp rise in the shares.

The outcome has been broadly forward by an extraordinarily quick decision by the Federal Trade Commission, which monitors the United States anti-trust legislation. To the surprise of Cons Gold itself, and probably of Newmont, the FTC gave the green light to the British group to buy more shares in the American concern, though adding the important proviso that it could change its mind and its ruling at some date in the future should it so wish.

The financing of the operation is fairly straightforward thanks to the foresight of Cons Gold turning the proceeds from its £181m rights issue late last year into dollars. In sterling terms the proceeds of the issue increased to £226m by June 30. Much of these funds are still in the bank earning interest and Cons Gold does have untapped borrowing facilities of \$800m from five institutions.

Two possible problems face Cons Gold. A white knight might appear on the scene whom Newmont might prefer.

Wall Street and the City of London were joined together last week in a manner which has greater long-term implications than the decline in interest rates.

Dow Scandia's £25m bid for merchant bank Arbuthnot Latham and Sears Roebuck's £166m acquisition of Wall Street's fifth largest brokerage house Dean Witter Reynolds, are just the latest examples of the trend towards placing a higher value on companies which make money out of money rather than from goods. Both the industrial and financial sectors have shown keen interest in the eruption of this age-old phenomenon.

The attractions of financial service groups on both sides of the Atlantic should be viewed against the second big oil price increase by the Organization of Petroleum Exporting Countries (Opec) which has ushered in a period of falling output in the industrialized world, high interest rates and declining opportunities for growth in companies' traditional areas.

In this climate, the charms of companies handling a wide range of money services and with worldwide expertise and connections, are easily apparent. Big may not be beautiful (or possible) for industrial companies outside the oil sector. But in financial services, the larger the better is the message in a sophisticated and global market.

Wall Street has seen the greatest shake-up for decades over the past year. Prudential Insurance (US) acquired the Group, American Express bought into brokers Shearson Loeb Rhoades, while commodity trader Phibro has recently completed a takeover of Salomon Brothers, the important investment banking firm.

In London too, there has been merger activity. Already, two of the biggest Lloyd's insurance brokers, C.I. Bowring and Alexander Howden,

have been swallowed up by United States giants Marsh MacLennan and Alexander and Alexander respectively. Allianz of Munich swooped up a 28 per cent stake in Eagle Star in June while Provident Life was bought by Swiss group Winterthur.

In April this year, money broker R.P. Martin joined with West Germany's Blerbaum. Acceptance house members Antony Gibbs and Singer and Friedlander disappeared into the

Charms of companies handling money services are easily apparent

hands of Hongkong and Shanghai Bank and European Ferries, and two weeks ago there was a defensive merger between two discount houses.

Even the clearing bank sector has been unable to remain immune from the takeover fever with the Royal Bank of Scotland the subject of an auction and Citibank known to have cast covetous eyes at Grindlays.

The City of London is an obvious target for foreign companies seeking diversification. By its acquisition of Arbuthnot Latham, for instance, Dow, one of the world's biggest chemical companies, has access to expertise in currencies outside the dollar, tax avoidance, acquisitions and a feel for the international financial market. This kind of knowledge of what is essentially a people business has been bought with what is effectively small change for Dow.

Inevitably, the sector which has attracted the most attention has been merchant banking, where the diversifying services (like Hill Samuel), or remain small and specialized. It is no secret that Merrill Lynch, the "thundering herd" of Wall Street, has talked with Hill Samuel and the feeling in the City is

that price has been the only barrier to a takeover.

Hill Samuel, with its large investment management side, would be a perfect fit for Merrill, which is itself not immune from an approach in the United States, perhaps from one of the big insurance companies. The bank wants to be bigger in order to compete worldwide and is now recovering from a long dull patch. Additionally there is no large family stake which protects others. On a smaller scale, Brown Shipley looks an obvious candidate for a bid.

All depends, of course, on the attitude of the Bank of England towards foreign takeovers of elite merchant banks. Acceptance houses are a private club where the members are well aware of the strict rules of conduct. To date, foreign bidders have been tolerated but not welcomed. Antony Gibbs is no longer a member of the Accepting Houses Committee after the bid by Hongkong and Shanghai Bank.

Elsewhere in the City, supervisory authorities have shown a flexible attitude towards foreign interest. Lloyd's relaxed the rules under which

Supervisory authorities have shown a flexible attitude to foreign interest

foreigners could only take a 25 per cent stake in a United Kingdom broker, while the authorities must be aware of retaliation to British acquisitions in America and the Far East should they shut out bids from overseas.

Stockbrokers in Britain, although they have diversified into taxation advice, in-house fund management and general services for the private investor, remain immune from foreign predators at present. However if the Office of Fair Trading

should rule against fixed commissions when it eventually produces its report (in 1983?), a cut price war which mirrored the experience of Wall Street in the early seventies, could open up the way for more mergers as brokers seek a greater capital base.

Further forays into the City by foreign groups seem more than likely, but just how strong the trend will be is difficult to say. Several factors have to be taken into account. First, it would be limiting for an industrial company to put all its eggs in one basket by acquiring, say, a merchant bank. Most large companies use two, three or even more, for advice on corporate finance, syndicated loans, or currency advice, syndicated with its Arbuthnot acquisition must believe it will not be frozen out elsewhere in the City.

Second, despite recent diversification, United Kingdom financial companies are still far more specialized than their American counterparts. This might not deter Merrill Lynch, for instance, which wants to expand overseas operations. But the attractions of a company which dealt largely in insurance broking would be diminished for an industrial conglomerate.

Third, the Bank of England is known to welcome the presence of foreign financial institutions like American banks which are reckoned to account for over 25 per cent of lending to British property. But foreign takeovers of financial institutions are still viewed with suspicion.

However, the vast improvement in communications and the increase in the flow of funds between centres has shaken the world financial community. The trend towards industrial companies acting as quasi-banks and financial institutions turning into all-purpose, international supermarkets is likely to change the face of the City as it is changing Wall Street.

Greece plays the waiting game

Next Sunday the Greeks go to the polls. The economic policies of the ruling centre right party of Mr George Rallis are in stark contrast to those put forward by Mr Andreas Papandreu's socialist opposition. Mario Modiano reports.

A waterfront political rally in support of Mr Papandreu (pictured on poster).



Athens

The uncertainty besetting the Greek economy in the run-up to the crucial general election next Sunday has led to a marked switch by private depositors from high-yielding, longer term deposits to readily accessible savings accounts.

Time deposits, which pay up to 20 per cent interest, rose by the equivalent of about £100m in July and August this year compared with £300m in the same two-month period last year. At the same time, savings accounts, which offer about 6 per cent less, soared to £420m, a tenfold increase over the same two months of 1980. The paradox is that total private deposits in Greek banks have risen sharply this year, shooting past the £10,000m mark in

August. But, except for compulsory bank placements in Treasury bills to feed the insatiable deficits of state enterprises, this expensive money sits idly, as no one will risk major financial decisions before October 18.

There is always uncertainty before an election, of course. If it is so conspicuous this time it is because the two main parties have diametrically opposed views on almost everything, including economics.

The contest is mainly between the ruling "New Democracy" party of Mr George Rallis, the centre-right prime minister, which advocates a free economy and private enterprise (it takes the credit for bringing Greece fully in the European Community this year) and the

"Panhellenic Socialist Movement", (Pasok) led by Andreas Papandreu. He is a Harvard-trained economist who favours tight government control of the economy, mainly the sources of credit and the means of production, and he objects to EEC membership.

Although the xenophobic Pasok won only one out of every four votes in the 1977 elections, boredom generated by an uninterrupted seven years of conservative rule has triggered a popular urge for change. Pasok is betting on this mood to win.

The backbone of Pasok's economic policy is what Mr Papandreu calls the "socialization" of key industries — banking, insurance, shipbuilding, cement, pharmaceuticals, fertilizers, mining, energy, defence, steel and transportation.

"Many of these sectors are already state-controlled, but Mr Papandreu insists that 'socialization' differs from nationalization in that these enterprises will be run by councils representing the workers, the local authorities and the consumers.

The mode of compensation has not yet been determined, but Mr Papandreu says that he is watching closely how his friend, President Mitterrand, copes with it in France. It is not clear if foreign banks and companies are affected.

The government party claims that "socialization" of industries alone would cost the state nearly £4,000m, but Mr Papandreu in a recent campaign speech accused the Government of "Scare-mongering" about Pasok's economic plans. Insisting that socialization "would affect no

more than 10 families — the economic oligarchy."

Pasok says that it proposes to fight inflation, now running at 24 per cent for the third successive year, by increasing production — naturally through state investment. To finance this investment it expects to get £1,500m a year merely by curbing tax evasion. The Government argues that this figure cannot be reached except by abolishing major tax exemptions such as on bank interest and farmers' incomes.

If Pasok wins, the changes in the economy are expected to be drastic, though the average Greek does not really know the details.

Bank depositors are obviously uneasy, and thanks to high interest rates, bank deposits are today the favourite outlet for Greek money-savers. There are 8.5 million bank accounts in this country of 10 million people.

It would be unfair to attribute the dearth of major industrial investment to the uncertainty generated by the election. Recession, inflation and some unpredictable economic practices have taken their toll for many years. In recent months, however, the Government's lavish "free grant" programme for investors has stimulated substantial interest for projects. These have now come to a standstill until the outlook clears after the elections.

Whenever productive investment lags in Greece, economic growth usually falls back on the building industry. Housing, after all, has been the traditional middle-class investment outlet and the formula seemed infallible — until now.

The government has been offering extremely attractive housing loans to stimulate the building industry, but the recession continues. Fears that the wealth tax might be reimposed on property above a certain value have touched off a spate of "for sale" signs in central Athens where property prices are very high.

Against this background of uncertainty, economic commentators have suggested that there has been a massive flight of Greek capital abroad (at the rate of £6m daily). There is no conclusive evidence that this is so, except for a sudden rise in the black market price of the dollar, indicating an increased demand.

The next Greek government will need between £1,400m and £1,700m to cover the current account deficit for 1981.

Mr Papandreu has declared that he has concrete guarantees from socialist governments in Western Europe, particularly in France, that they will help a Pasok government to overcome the initial obstacles. There is also talk of Arab promises of crude oil on credit.

The Greek press suggested that the sudden decline in the growth rate of tourist revenue in the first seven months of this year (5 per cent against 13.1 per cent last year), and shipping revenue (11.5 per cent against 19.1 per cent) was proof that foreign exchange was being diverted to the black market. But, as a knowledgeable Greek banker put it, "This is peanuts. Whatever capital there was to flee abroad from Greece has been gone a long time now."

Business Diary profile: Tadayoshi Tazaki, unlimited

He is young, imaginative and obviously successful, displaying the entrepreneurial spirit and flair which his local MP, the Right Honourable Member for Finchley, could not but applaud.

Indeed, he epitomizes almost exactly the kind of businessman that the Prime Minister and her Cabinet colleagues are desperately keen to encourage. In the space of seven years he has established restaurants, started an employment and accommodation agency, launched a community newspaper and holds an effective monopoly in the supply of foodstuffs and other victuals to a small, but growing section of the British population.

This archetypal entrepreneur, identifying an opportunity in the market place and exploiting it, is Yokohama-born Tadayoshi Tazaki. He has done very nicely, thank you, in the British environment where he has spent the last 20 of his 38 years, building up a business from very humble beginnings, initially providing advice, and searching for accommodation for Japanese businessmen and their families despatched to Britain by their companies.

That was in 1974. Today the business over which he presides is turning over close on £4m a year and Tazaki is poised to launch himself into two new ventures which, if his hunch pays off, should help to boost cash flow significantly.

Towards the end of next month Tazaki plans to open



My takeaway, your leader: Tadayoshi Tazaki, Britain's Japanese entrepreneur.

the first Japanese restaurant outside London — in the shopping precinct at Milton Keynes — which will combine an upstairs restaurant with a ground floor fast-food bar (saying that fast, especially if you are Japanese). If, as he confidently expects, the Milton Keynes venture — called Taz-Chan — succeeds (burgers Japanese style and chicken teriyaki) he plans to extend Cardiff and Manchester his Oriental challenge to Colonel Sanders's

creation. Both cities already have established Japanese communities. Tazaki is also moving ahead on another front. By the end of the year he is planning to launch a do-it-yourself Japanese dinner set through big retail outlets called appropriately "Shogun" packed with Japanese foods and a set of recipes.

Both ventures are natural extensions of his principal business, importing Japanese foodstuffs, supplying not only

his three London restaurants but Japanese expatriates both in this country and abroad.

The restaurant business was a logical move from the food importing operation: his wife Akiko opened the first Japanese restaurant in London and built up a chain of 11 before selling out to Japan's Teijin Textile Corporation.

Tazaki does not fit the traditional and conventional mould of Japanese businessmen. Unlike most, he chose to eschew the safety and security of the large trading corporations, to which most young Japanese students aspire, with their tradition of lifetime employment and a management structure based on seniority rather than ability.

He has nevertheless sampled the experience, spending 18 months with the Mitsubishi Corporation in London after coming down from Cambridge, where he read economics. Tazaki followed that with a four-year stint with an American metals company dealing on the London Metal Exchange and finally worked for a year with Sumitomo Trading Company in London before deciding that the Japanese corporate environment was not for him.

His education in England, first at boarding school in the West Country and then at Downing has clearly been the principal influence on his career. It is in schools and colleges, he believes, that more could be done to help the British and the Japanese to understand each other better.

He has been instrumental in arranging a formal channel of exchange between Cambridge University and a Japanese university. The aim is to establish a flow of British students to Japan, helped with some Japanese business sponsorship, to learn more about Japan and its people.

Beyond that scheme, which he believes should go some way to improving the career prospects for those British graduates who join Japanese companies in this country or elsewhere in Europe, his next academic objective is to establish a boarding school in Japan which will be run on British public school lines.

"I am extremely interested in education and the academic sphere and I am particularly grateful for all the help that I received during my education here. These schemes may go some way towards repaying that help," says Tazaki.

Anglo-Japanese relations are somewhat strained at present with Japan's mounting trade surplus the focus of anxiety in British Government and industry circles.

But for Tazaki there are beneficial spin-offs even with relations at such a low ebb. His catering company won the contract to supply Japanese delicacies at the round of receptions and cocktail parties organized to mark the visit of the high-level Japanese business mission which has been in Britain for the past four days.

Peter Hill

Anglo American Investment Trust Limited

(Incorporated in the Republic of South Africa)

INTERIM RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 1981

With reference to the Interim report advertised on Friday, 9th October, 1981 attention is drawn to the corrected tabulation of Note 3 below:-

2. Particulars of the investment in the listed associated company, De Beers Consolidated Mines Limited, are as follows:

Market value	202.81	302.80	312.81
Carrying value	830.573	1,243.431	898.573
Appreciation	374.343	283.597	330.049
	456.230	959.834	568.524

October 10, 1981

FINANCIAL NEWS AND MARKET REPORTS

Exxon's spending worries oilmen

By Michael Prest

It is hard not to be amazed by the sheer magnitude of the numbers. This year Exxon Corporation and its myriad affiliates will devote \$11,000m to exploration, capital expenditure, and research and development, almost twice last year's net income of \$5,700m. Of the \$11,000m total some \$9,000m is going to conventional oil and gas, \$700m is earmarked for alternative energy sources, in real terms twice the 1970 level.

Consumption

Even by energy industry standards these are indeed huge sums. So big are they in fact that some of Exxon's competitors are worried about being able to keep up with the world's biggest corporation in the race for energy sources between now and the end of the century. Since new oil projects such as shale and tar sands costs perhaps \$4,000m each, only a handful of companies can contemplate with equanimity emulating Exxon in bringing perhaps three such schemes into production over the next decade.

But similar doubts haunt Exxon's directors too. They are being asked to invest these enormous amounts in projects which may not make a profit after taxes and finance charges for up to 15 years. Moreover, the case for new energy sources depends on forecasts to the beginning of the next century and the division of that supply between different types of energy. By definition such projections should be treated circumspectly.

Few people doubt that a great deal more energy will be needed over the next two decades. After allowing for conservation and the improving ratio of energy consumption to growth in gross national product, Exxon believes that world energy consumption — including the Communist block — will grow by 65 per cent to 225,000,000 barrels a day of oil equivalent by the year 2000.

The most important point about this total is approximately one third of energy supply will be provided by conventional oil. Last year it was 47 per cent. Coal's share is expected to rise from 26 per cent to 28 per cent, and that of natural gas will end the century at 19 per cent the same as at present, after peaking at 20 per cent in 1990.

It is clear that simply to maintain a share of an expanding energy supply substantial extra reserves of particular energy sources must be found. Coal has proved relatively easy to locate, and natural gas reserves are substantial although they tend to be found in remote and difficult terrain. Crucially, however, oil is steadily depleting.

Problems

All oil companies are therefore faced with similar problems. Oil will remain very scarce and will continue to enjoy the advantages of comparatively easy extraction, transport and high thermal value which have given it dominance of the industry. But if they are to be individual corporations to maintain their share of the expanding energy market they must develop marginal sources which will fill the

gap between available supply and anticipated demand.

One essential factor forcing the companies to peer so far into the future — a future they admit is plausible rather than the other possible one — is the same projects take to complete. In the United States, for example, where reserves of coal and shale could make the country a new energy source, it is likely to require ten years from inception to maximum production. As much as half of that time could be spent acquiring the necessary regulatory and environmental permits.

Projections

In a sense the corporate planning mechanism has been put into reverse. The lead times are so long that no company can risk not participating in the race, although it may have doubts about the profitability of an energy source.

The companies enter the race recognising that a thirty year project will probably absorb several generations of engineers and that neither the managers nor the shareholders responsible for the decision will be present at the final reckoning.

All these difficulties are compounded when unconventional energy sources are considered. Exxon's projections indicate that by the year 2000 nuclear power will supply ten per cent of the world's energy consumption compared with 2 per cent today. Synthetic oil and gas from shale, tar sands and coal will expand from virtually nothing to four per cent, and hydropower, along with renewable sources will be eight per cent against six per cent now.

Most growth in the latter sector will be from hydro, because solar power, geothermal wave and wind power are expected to be insignificant well into the next century.

Great advantages will consequently accrue to those companies and countries which can find and develop marginal energy resources now. Feeling that it has no choice, despite the long payback period, Exxon is therefore pressing ahead with the Synroc project in Athabasca, Canada, where oil is being mined from tar sands, the Colony oilshale project in Colorado, and is considering making gas from coal in East Texas.

Impressive though the list is, by far the biggest effort is in new exploration and oil production techniques such as seismic methods which will detect hydrocarbons in place rather than merely indicate promising geological structures, and the fully submersible oil production system to be deployed in the North Sea.

While Exxon is pursuing such projects on a broad front, hoping that a sufficient number will be sufficiently profitable, other companies such as Mobil are being forced to follow energy developments in their likely economic and technical sequence.

Act of faith

Oil from shale, then from tar sands and finally from liquid fraction from coal are widely seen as the probable order. In any event, the oil companies' shareholders and bankers not to mention the consumers, should not be too hasty to be sceptical about the prospects for such sources. The companies' policy of energy diversification and development is an act of faith.

Pressure grows for tin price rise

Kuala Lumpur.—The world's major tin producers and consumers will try during talks here this week to resolve deep differences over the price that industry should pay for the metal.

Malaysian officials expect producing countries to harden demands for price increases so that mining of tin, a traditional raw material in cans and metal alloys, becomes profitable.

Seven key producers, which meet today and tomorrow before a three-day meeting of the International Tin Council (ITC), appear likely to settle their differences and make a united bid for an increase in the International Tin Agreement (ITA) buffer stock price range.

The ITA aims to keep prices within a set range, currently 27.28 to 35.47 Malaysian Ringgit (\$11.86 to \$15.42) a kilogram, through the purchase or sale of tin by its buffer stock manager. Producers failed to get a 4.5 per cent rise in the range at a April and July meetings of the ITC, which ended in some acrimony.

Malaysia, the largest tin producer, is expected to press for a rise of at least 10 per cent. Other producers are also expected to demand a higher price because of inflation and falling demand for tin this year.

The producers—Malaysia, Indonesia, Thailand, Bolivia, Zaire, Nigeria and Australia—are also concerned at the price of tin, which has fallen from between \$18 and \$19.50 a kilogram in 1980 to \$16.50 in 1981. They say the price has fallen because of a surplus of tin in the United States from its defence stockpile. They say the price has fallen because of a surplus of tin in the United States from its defence stockpile.

The U.S. policy of selling off large tonnages from its stockpiles of metals such as tin and silver has irked many developing country producers.

Tin prices hit the ceiling of the ITA range on the Penang tin exchange in Malaysia last week following large purchases by unnamed buyers. Industry sources said these price increases could be due to purchases by producer countries determined to demonstrate they can push up prices. Malaysia is widely expected in London of being behind the move.

Malaysia, the only country which has signed and ratified the sixth ITA, hopes to see other producers and consumers sign and ratify before the fifth part expires at the end of next June. But the U.S. announced in Geneva last Friday that it would not join the sixth ITA.

Bolivia, a major producer, also remains opposed to some provisions of the sixth agreement. MTD chairman, Mr Raja Badrol Ahmad, told shareholders that the new company would also have significant tin exploration and mining interests. He said the company will be well placed in the tin industry both on account of its position as one of the world's largest low-cost producers and in view of extensive new reserves that may become available in the future.

The merger is seen as part of the Malaysian Government's new economic policy aimed at giving ethnic Malays and other indigenous races a 30 per cent stake in the country's corporate wealth by 1990.

Permuda, which last month took over the London-based plantation group Guthrie Corporation in a lightning raid on the London stock market, said shares in the new company would be sold to a unit trust scheme to increase their stake in the corporate sector. —Reuters.

Johnstone's Paints has to delay its debut

Johnstone's paints, the Manchester-based manufacturer and distributor which was due to come to market through a 15 per cent Unlisted Securities Market (placings today, Monday, October 12) was forced to delay its debut because of a hitch with the Inland Revenue.

The group had failed to secure clearance that the firm issue would attract only capital gains and not income tax, its financial advisers and broker, Capel-Cure Myers, suggested that the group waited until the formalities are completed. The placing is now expected to take place within the next week or ten days.

Disposing of ICCH is tough and tricky

Negotiations over the sale of the International Commodities Clearing House are becoming as tough and tricky as some deals in the markets whose paperwork it handles. Three weeks ago the Bank of England gave the Trustee Savings Bank, present owner of the ICCH, permission to start haggling with a consortium of clearing banks.

At that time, it seemed to insiders that only details remained to be determined. Important matters, like price and method of payment, were assumed to have been informally settled long before.

Not a bit of it. Buyers and sellers are still widely separated. Few now expect the ICCH to change hands much before the end of this year. The Trustee Savings Bank acquired ICCH en passant in February, when TSB won a fierce battle with Lloyds & Co. for control of United Dominions Trust, the hire purchase finance house. Mr Tom Bryans, TSB's general manager (and the man who has transformed it from a proletarian savings medium to a significant force in banking) at once let City institutions know he was a willing seller at the right price. In his mind the right price started at about £80m.

Some institutions might, indeed, have been prepared to bid at that level. ICCH makes a profit of about £5m a year before tax and as a business with much growth potential should sell on an earnings multiple approaching 20. Mr Bryans instructed Lazard's to seek offers.

Lazard's, quite properly, hoped to attract competitive bids from a number of institutions. But the Bank of England frowned on that approach. The ICCH already forms an important part of the London financial mechanism, it argued, and its ownership should remain in the most unimpeachable of hands. The hands the Bank preferred belonged to a consortium of London clearing banks: Barclays, Lloyds, Midland, Natwest and Williams & Glyn.

Roger Nuttall

Increased demand for VLCC's in Gulf

Freight

Rate levels for Western fixtures showed a small improvement of a point or two, as the market closed the week. Rates for the Gulf, however, were largely unchanged, with values declined particularly for larger vessels.

With tanker rates continuing at uncompetitive levels what little revenue is gained does not even cover operating costs so owners of VLCCs and ULCCs are faced with the options of scrapping, laying up or keeping their vessels in service. The first option is unattractive as a demotion usually nothing to four per cent, and the second involves a difficult decision based on each owner's assessment of the market and their own respective financial positions.

Enhanced trading in the Atlantic, largely brought about by a strong seasonal demand for tonnage from the Great Lakes, added to the performance of the dry cargo market last week. For smaller vessels rates improved while those for larger vessels remained generally stable. As a result of this overall improvement much of the business arranged was being kept confidential.

Typical of the fixtures from the Lakes was a British vessel booked to load 16,000 tons of grain at Thunder Bay at \$23 per ton, completed to 24,000 tons in the St Lawrence at a rate of \$16.50; its destination being the Antwerp/Hamburg range.

Minorco expects significant earnings boost

Minorco (Minerals and Resources Corporation) expects a significant rise in earnings for the year to June 30, 1982, Mr Harry Oppenheimer, chairman said.

The company previously reported net earnings in fiscal 1980/81 were \$17.1m up from \$14.8m in 1979/80.

The improvement will primarily derive from Minorco's share in the earnings of Consolidated Gold Fields and Charter Consolidated PLC, he said in the annual report. Minorco acquired a 23 per cent stake in Gold Fields and a 36 per cent stake in Charter in February, this year.

Phibro Corporation should see its trading activities greatly extended and enhanced after the acquisition in August of Salomon Brothers, Mr Oppenheimer said.

While Gold Fields should be able to maintain satisfactory results despite a relatively depressed gold price, Minorco's base metals investments in Hud-

son Bay Mining and Smelting Company, Inspiration Consolidated Copper Company and Zambian Copper Investments will not really prosper until a sustained recovery of the world economy, Mr Oppenheimer said.

In the near future, Minorco considers additional long term borrowing to fund its expansion. But he said the company would not really prosper until a sustained recovery of the world economy, Mr Oppenheimer said.

LTV Corporation said it received from the FTC a request for additional information under the Hart-Scott-Rodino Act in connection with its tender offer of September 24 for the securities of Grumman Corporation.

As previously announced, the request extends the waiting period before any purchase of tendered securities is permitted until 10 days after LTV furnishes information substantially responsive to the FTC's request.

Guinness Malaysia

Despite a 28 per cent drop in group aftertax profit in the

International

year ended August to 17.8m ringgits from a year earlier, Guinness Malaysia BHD declared a one-for-one free issue and doubled its authorized capital to 100 million ringgits.

Turnover rose about 2 per cent to 19.4m ringgits. Gross pretax profit fell 20 per cent to 2.4m ringgits, while the tax charge rose to 26 per cent from 18 per cent.

The stout brewer, a unit of Arthur Guinness Son and Company of London, declared a 24 sen a share final dividend, bringing the total payout to 34 sen a share, unchanged.

The company did not comment on the drop in profit noted in its first-half earnings report falling sales in Singapore and slowing sales growth in Malaysia would adversely affect the quarterly results.

The free scrip was capitalised

IC Industries

IC Industries said that in connection with its offer to acquire Sunbeam Corporation it has entered into an agreement with the staff of the Bureau of Competition of the FTC which provides among other things that control of the Sunbeam board would divide the businesses of three Sunbeam subsidiaries.

The subsidiaries are Bailey Case & Cooler Inc, the Schaeffer Corporation and the Mile-High Equipment Company.

IC said the agreement is subject to acceptance by the directors of the Board of Competition and thereafter to acceptance by the Federal Trade Commission after the agreement has been placed on the public record for a period of 60 days.

Eurobonds rally as short-term rates fall

Euromarkets

A sharp drop in short-term interest rates produced a surge in international bond prices regardless of currency denomination.

Leading a thundering herd of bulls were American interest rates. The rate for three-month deposits in London fell to 16.31 per cent offered Friday, from 18.0 per cent the week before. For the first time in about six

months, dollar bond dealers were able to finance their inventories on a day-to-day basis at under 15 per cent.

The German central bank lowered its special Lombard

rate for loans against securities by one point to 11.00 per cent. Three-month Deutsche mark deposits in London were offered at 11.31 per cent at the end of the week, down from 12.25 per cent the previous Friday.

The French central bank was under less pressure to defend its currency with high interest rates following the realignment of European currencies on

October 4. As a result, three-month French franc deposits in London plummeted by 8.25 points to 19.25 per cent over the week.

Investors who had been waiting for market conditions to improve moved quickly into the market. At the end of the week, the amount of Eurobonds on offer came to about \$1,400m, up nearly twice the previous week's total.

Eurobond prices (yields and premiums)

STRAIGHT DEBT		Price	Yield
Scania 1982		99.15	17.56
Alfa Romeo 1982		99.15	16.13
Canada 1982		99.15	16.13
New Zealand 1983		99.15	16.07
Sweden 1983		99.15	16.07
Finland 1983		99.15	15.92
Denmark 1983		99.15	15.92
Belgium 1983		99.15	15.92
France 1983		99.15	15.92
Germany 1983		99.15	15.92
Italy 1983		99.15	15.92
Spain 1983		99.15	15.92
Portugal 1983		99.15	15.92
Greece 1983		99.15	15.92
Japan 1983		99.15	15.92
South Korea 1983		99.15	15.92
India 1983		99.15	15.92
China 1983		99.15	15.92
USSR 1983		99.15	15.92
Poland 1983		99.15	15.92
Czech Republic 1983		99.15	15.92
Slovakia 1983		99.15	15.92
Hungary 1983		99.15	15.92
Romania 1983		99.15	15.92
Bulgaria 1983		99.15	15.92
Yugoslavia 1983		99.15	15.92
Croatia 1983		99.15	15.92
Slovenia 1983		99.15	15.92
Serbia 1983		99.15	15.92
Montenegro 1983		99.15	15.92
Macedonia 1983		99.15	15.92
Bosnia and Herzegovina 1983		99.15	15.92
Herzegovina 1983		99.15	15.92
Albania 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92
North Srem 1983		99.15	15.92
South Srem 1983		99.15	15.92
North Slavonia 1983		99.15	15.92
South Slavonia 1983		99.15	15.92
North Croatia 1983		99.15	15.92
South Croatia 1983		99.15	15.92
North Serbia 1983		99.15	15.92
South Serbia 1983		99.15	15.92
North Montenegro 1983		99.15	15.92
South Montenegro 1983		99.15	15.92
North Macedonia 1983		99.15	15.92
South Macedonia 1983		99.15	15.92
North Albania 1983		99.15	15.92
South Albania 1983		99.15	15.92
North Kosovo 1983		99.15	15.92
South Kosovo 1983		99.15	15.92
North Vojvodina 1983		99.15	15.92
South Vojvodina 1983		99.15	15.92
North Banat 1983		99.15	15.92
South Banat 1983		99.15	15.92

INTERNATIONAL AIRPORTS

Arthur Reed on the places people love to hate

The monster we can't do without

As the planning inquiry into the development of Stansted as the third London airport has already proved very few people love airports. The hearings are expected to go on for as long as a year, largely because of the depth of feeling the proposal engenders among people who wish it would go away into somebody's back garden, or who see no real need for it.

Airports and threats of airport construction raise emotions the world over, and yet they are basically functional places providing a vital service to business and leisure passengers, cargo shippers, employment, while boosting the invisible and visible earnings of the countries in which they are situated.

Why is it then that they raise such fury in the communities among which it is proposed to put them down, or extend them, and in the areas where they have been situated for, in some cases, up to half a century?

The emotion comes from several sources. Airports are a blot on the landscape, a blot not only on the immediate countryside which is to be covered with concrete for runways and terminals. Airport "blight" spreads much further in the form of the urbanization of the surrounding area, with new main roads, housing for the airport workers, hotels and factories.

Then there is the blight of noise, coming from the airport itself as airlines take off, land and run up engines, and from the landing approach pattern which cuts a swathe through the air as far as 15 miles away from the point where the aircraft finally touch down.

Such drawbacks can be, and are being, minimised under the increasingly tight regulations which are being applied to both the airline and aerospace manufacturing industries. Urbanization can be stringently controlled so that what was once a rural setting does not become a total, tarmacadam desert. Lessons learned from the

despoliation of Heathrow area were applied to the development of Gatwick, the second London airport, so that part at least of that area has been saved.

The emission of noise and fumes from aircraft engines is already being severely restricted, and the restrictions will become even tougher from 1985 when new international regulations come into force. Many airports around the world have night curfews during which aircraft movements are banned. Engine run-ups are also prohibited during the hours of darkness, and have to be carried out behind earth banks or blast walls.

But even if all these measures are applied, they can at best be only palliatives, and the fact is inescapable that a modern international airport is an intrusive monster.

It is therefore up to each country on the world civil aviation network to make up its mind whether the economic and, in some cases, prestige benefits of having large airports outweigh the injury which such facilities inflict upon the environment.

In some countries the choice is an easy one. Where there are large tracts of uncommitted countryside, far away from the nearest com-

munities, but within reasonable reach of a city, the decision to go ahead is simple and uncontroversial.

This is certainly the case in many of the Third World countries, in the Middle East and in some parts of the United States.

Finding sites for new airports in the heavily-urbanized areas of the world, such as the east and west coasts of the United States, Europe and Japan, is now virtually impossible, and the view is gaining ground that in the face of violent objections which are now commonplace, no new facility will ever again be developed on virgin fields.

There is little hope for the view that the period of stagnation through which the air transport industry is passing will cancel the need for new airport buildings.

The standstill has been brought about by a combination of factors — the world business recession which has reduced the numbers of business travellers, inflation which has raised all of the airlines' considerable costs, and particularly the kerosene which fuels their jet engines, and increased competition, with the spawning of numbers of new, low-cost airline companies, brought about by the deregulation which was one of the watchwords of the Carter administration in the United States.

But the airline industry is an extremely flexible one. It works on the basic assumption that its business will be cyclical, and it has survived worse crises than that which afflicts it at present. It bases its confidence in its long-term future on the human instinct to travel.

Heathrow airport is now the most important visible trade port in Britain, doing 16 per cent of the country's business in 1980-81, compared with 10.7 per cent by the Port of Dover, and 8.9 per cent by the Port of London.

The main airports of many of the foremost trading countries can make similar boasts. Can any country really afford to construct such an income through failure to modernize and expand its airport facilities? But can it also afford to degrade the quality of life of its inhabitants by sterilizing green field areas of its countryside with noise and concrete?

A compromise is the obvious answer. By applying the latest aviation technology, existing airports can be upgraded to a far higher level than was thought possible even a few years ago so that expansion can proceed, but be contained within areas already designated for aviation use.

A day out among the duty-frees

Fundamental changes in the economics of the civil aviation business over recent years have had a severe effect on airport planning and development throughout the world. The mid-1970s idea of the vast "megaport" airport has now gone, swept away by financial stringency and the strength of the environmental movement; in its place is the more modest facility capable of expansion when the traffic demands.

Under-utilized airports are a luxury that no nation can afford. A number of these, monuments to traffic forecasts which were not realized, or to an incorrect siting policy, exist around the world, their interest charges unmet by their income. Even successful airports with plenty of traffic are having to look increasingly to "commercial" income from shops and offices as their traditional income from airlines declines.

The British Airports Authority had an income of £101m from its commercial operations during the last financial year, 1980-81, a rise

of 14.8 per cent over the previous year. Like many other airport operators, the BAA is seeking to capitalize on this side of its business. It gives its blessing to bargain offers in the duty-free shops, so that departing passengers have been surprised recently to see out-of-work actors parading the lounges dressed as giant bottles of well-known alcoholic beverages. Executives of Fitch and Company, the international design consultants, see the commercial exploitation of the space at airports as still being in its infancy.

Airports are not used solely by airline passengers. Others who use their shops and restaurants include the "meeters and greeters", airline and airport staff, and casual visitors. One lady interviewed at Gatwick airport recently said she had come there for the day on an outing with her old people's club.

The point has been proved recently by Fitch with a design for the refurbishing of Shannon airport in the Irish Republic reputed to be the

world's first duty-free airport shop. The design decked the place out like a glamorous, high-class department store, with the result that receipts have risen considerably.

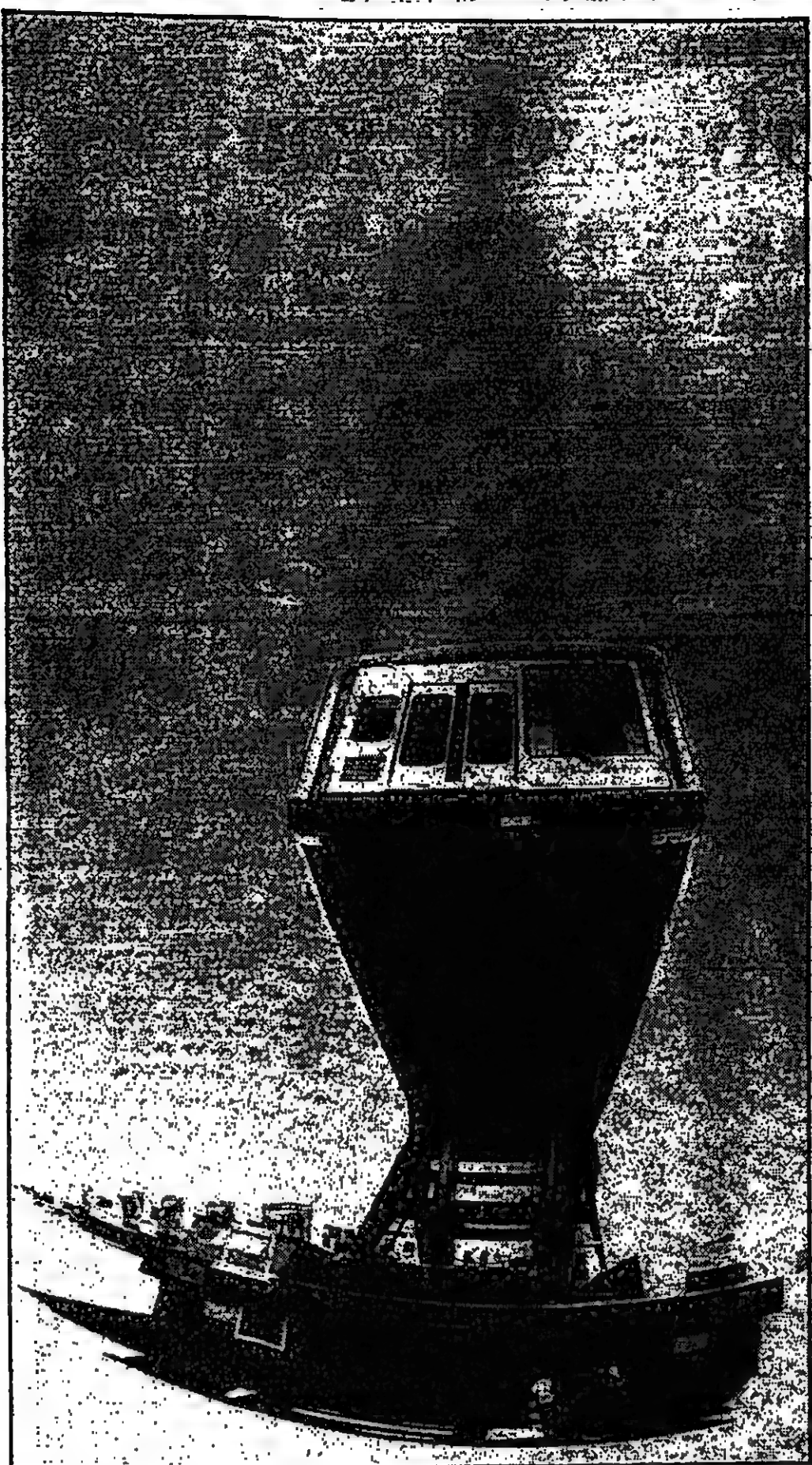
Shops will be very much in evidence at the new terminal four at Heathrow, while some of the restaurants within this new facility will be laid out on the American principle of a central seating area surrounded by a number of separate food shops offering fare as varied as pizza and fish and chips.

The new thinking behind airports' planning is to put the passengers into a relaxed mood so that they know that they have the time to spend money on duty-free goods, food and drink.

Many of the existing airports in the world, designed in the era when such facilities were solely for processing passengers and cargo, have very few, or no shops.

Terminal two, the original terminal at Heathrow airport, is a case in point. Built as

continued on page 17



Mobile lounges now in use in North America are one method of conveying passengers quickly from terminal to aircraft.

Europe's fastest growing Airport at the heart of Britain's motorway network

welcomes the 1981 International Civil Airports Association Congress

This is where the airways of the world meet the motorways serving 20 million people and 50% of British industry.

Travellers (and freight, too) between the business end of Britain and other major world centres can now go direct without getting involved in the traffic problems of the South East — saving hours which rapidly add up to extra days for business or pleasure.

We'll fly you to:

Agadir	Gerona	Palermo
Alghero	Gibraltar	Palma
Alicante	Guernsey	Paris
Almeria	Gutersloh	Pisa
Amsterdam	Heraklion	Porto Santo
Athens	Ibiza	Pula
Banjul	Jersey	Reus
Barbados	Kos	Reykjavik
Barcelona	Krakow	Rhodes
Basle	Lanzarote	Rimini
Berlin	Las Palmas	Rome
Brussels	Leningrad	San Juan
Burgas	Lisbon	Saragossa
Calgary	Ljubljana	Split
Catania	Los Angeles	Tangier
Colombo	Lourdes	Tel Aviv
Constanta	Mahon	Tenerife
Copenhagen	Malaga	Thessaloniki
Corfu	Malta	Toronto
Cork	Miami	Tunis
Cyprus	Milan	Turin
Djerba	Monastir	Valencia
Dublin	Moscow	Vancouver
Dubrovnik	Munich	Varna
Dusseldorf	Munster	Venice
Edmonton	Naples	Verona
Faro	New York	Vienna
Frankfurt	Nice	Warsaw
Funchal	Oakland	Winnipeg
Geneva	Oporto	Zadar
		Zurich

MANCHESTER INTERNATIONAL AIRPORT

Your first step to the rest of the world.

Arthur Reed on the way science is keeping track of your baggage

Making sure your baggage arrives with you

Everybody who travels by air has his own horror story about luggage, of cases misdirected, lost, or damaged beyond repair, but the surprising fact is that the total number of pieces of baggage loaded on to aircraft throughout the world in a year — probably around 1,000m — only a fraction of one per cent is actually mishandled.

The airline and airport management sectors of the world civil aviation industry go to inordinate lengths to ensure that luggage arrives at the same destination at the same time as its owner, and to ensure that the often-repeated joke which goes "breakfast in London, dinner

in Bombay, bags in Brazil" becomes outmoded.

Baggage goes astray for three main reasons. First, it can be wrongly labelled at the check-in point. The passenger has a chance to correct mistakes at this stage, by watching that the label which the check-in clerk fixes to the handle of the bag coincides with the airport of final destination — although it can be difficult for the lay person to decipher the code of letters which airlines use to denote different airports.

Secondly, once the bag is despatched from check-in towards the luggage marshalling bay it is possible for the

tag which has just been affixed to become entangled in the moving belts on which the cases travel, and be torn off. Thirdly, the bags can be mislabelled at the loading stage so that they end up on the wrong aircraft.

A few airports around the world have automatic baggage sorting systems where, each piece is coded at check-in with a magnetic stripe. This is then read by "magic eyes" on the moving belt to the marshalling area which automatically adjust the route each bag takes. But at most airports, luggage is still handled manually on to the trucks which take it out to the

aircraft, or into the containers in which it will travel, and the chances of human error are always present.

At the destination, the possibilities of bags going astray are far fewer, although if the journey involves a number of aircraft changes, with the luggage routed right through, the chances of loss will obviously escalate.

Most complaints by passengers at destination points concern delays in bringing forward bags from the aircraft holds to the carousels in the terminal buildings from which they can be claimed. Station managers of most airlines are empowered by

their companies to make on-the-spot compensation payments, without prejudice, where cases have been damaged in transit, or where they have disappeared. Such payments are designed to enable the passenger to buy essential items of toiletry and clothing to tide him over, although some airlines have special bags containing tooth brushes, razors, and so on for such emergencies.

Many airports around the world were designed before the era of the Jumbo jet load of 450 passengers, so that their luggage-handling systems, and particularly their luggage carousels, are too small to cope efficiently. The

press of the people which builds up around such unmoderated devices as the bags start to come through can be frightening for elderly or incapacitated passengers, and also positively dangerous.

Modern airport design thinking is that arriving passengers should be kept back in an area specially set aside for the purpose until their luggage actually arrives on the carousel. They are then informed of the arrival by a message on television screens and move through to pick it up. This system is in use at Gatwick airport, and will be installed in the new terminal four which has just been started at Heathrow.

The chances of airlines finding mislaid baggage have recently become far greater than in the past with the institution of a scheme coded Bagtrac. Developed by the International Air Transport Association and the airline industry's communications organization, SITA, Bagtrac is based on a computer situated in the United States into which are fed the details of all missing luggage, from wherever point on the international airline network it has disappeared.

Details of stray baggage that turns up are also fed in. The computer then automatically matches the details of lost and found baggage and

provides information to airline video screens in all main cities of the world.

Establishing this system has been an expensive operation for the airlines, but the industry considers it to be money very well spent.

The hope is that it will enable them to reduce considerably their annual expenditure on chasing lost luggage, and cut down on the numbers of staff for whom it constitutes a full-time job. Both are very attractive options to an industry which is passing through heavy economic weather at present, and which is searching for every way it can possibly find to cut costs.

The need for bigger and better terminals

A Jumbo-sized headache

The world aircraft manufacturing industry can plan bigger and bigger Jumbo jets, but terminal capacity at airports will be the limiting factor to the expansion of air travel in the future.

There is little point in airlines delivering Jumbo loads of 800 passengers at one time if the airport buildings into which they are funnelled for Customs, immigration and health checks, and for baggage collection are not big enough to cope.

Such a limit is already reached at Terminal 3 at Heathrow most mornings during the peak summer months when Jumbo jets of the present aviation era disgorge loads of up to 450 passengers each.

Queues at Customs and immigration grow longer and longer, and there are extended waits at the overloaded baggage carousels.

Airport authorities around the world attempt with varying degrees of success to pour a quart of passengers into a pint pot of airport buildings — buildings which were often designed and developed when the Viscount airliner was the latest advance in air travel and a load of 70 passengers was considered enormous.

Immediate post-war airport construction was carried out

in solid brick and reinforced concrete on the assumption that it would never be necessary to extend terminals. As a consequence, a visit to almost any airport in the world which is of this vintage will be accompanied by the clatter of pneumatic drills and the grunt of bulldozers as the authorities desperately attempt to keep pace with increases in passenger and cargo traffic which the original designers could never have foreseen. "Alterations as usual during business" appears to be the motto of most airport owners.

The products of modern technology have been engaged at most of the large international airports in an effort to capitalize on the restricted space available. Expandable jetways connecting the terminal buildings with the aircraft doors, through which passengers are able to walk without exposure to the weather, and without obstructing the manifold activities in the apron area where the airlines stand, are now commonplace.

Services such as fuel and power are sunk beneath the apron surface and are linked with the airlines, thus further reducing clutter on the apron. Sophisticated handling equipment, in use at many

airports to lift cargo and baggage containers into the aircraft belly holds. Passengers arrive at the airliner doors having been sped on their way through the terminals on moving pavements or driverless trains.

Speeding the flow of passengers and their baggage from check-in point to aircraft steps through such means is resulting in terminals being able to cope with double or more the numbers per hour than they were designed for years ago.

A further aid, to such progress is the effective signposting of airports with an international code which can be understood by every air traveller, whatever his language. Comprehensive signing, plus clear information on the readiness of flights which are due to depart, conveyed on a multiplicity of television screens about the airport buildings, enables the airlines to adopt the principle of "trickle loading" whereby passengers make their way down to the departure lounges in ones and twos, rather than, as in the past, being marshalled in huge, unwieldy, and space-consuming groups.

Future airport terminals are being designed to make the maximum use of the

available space both within the building, and on its aircraft aprons. Terminal 4 at Heathrow is a case in point. The architects, Scott, Brownrigg, and Turner, and the British Airports Authority have moved right away from the principle of individual gateways approached down long corridors which have become the vogue at many airports in recent years, and have adopted the idea of one huge departure lounge.

On arriving in this lounge, after completing departure formalities such as immigration clearance and security checks, the passengers will be able to see the airliners through plate glass windows. Passengers for individual flights will be collected in areas defined by arrangements of seating. These arrangements will be easily changeable to cope with airliners of varying size.

The structure of the terminal will be such that it will be fairly simple to alter in the future. New loading bridges for passengers could be "plugged in" to the side of the terminal without interfering too greatly with either the airlines, or the airlines operating outside.

A.R.



Sleeping out at Heathrow: passengers wait to get to America before the strike last August

Waiting uncomfortably with Mr Gurgle

Cinema shows have been suggested for passengers as they wait for flights. But this seems to me unwise on two counts.

Since the long-distance passenger will have to watch an in-flight movie, which can be made endurable only by switching his sound channels to classical music, it seems unfair to subject him to an out-of-flight film as well. There is also the danger of raising his expectations too high.

Even films not entirely devoted to airports and aircraft usually have departure lounge scenes in them, some where. Distraught but well-manufactured air hostesses pursue imperishable flight commanders straight out of Walter Mitty land. Master spies are unmasked. Mad bombers are foiled by little old ladies.

In life, air terminals are about as exciting as underground stations. When I visited Heathrow even small boys were too apathetic to play the space war machines installed there, and the alarming sounds of celestial artillery were mercifully muffled.

It is ridiculous to be nervous of flying, now safer than the journey facing Lord Temnyson when he answered one clear call to cross the Solent. It is partly the lack of clear calls that frays the nerves of the waiting passenger. Is he the Mr Gurgle wanted urgently at check-out? Would his cross-Channel flight to Brussels be Number Six? Fine Twee delayed by headwinds in the Azores? Is it indeed English which is oozing through the public address system, or is he in some other country?

I was once disoriented by glimpsing palm trees through the windows of the Leonardo da Vinci airport. I knew my luggage had gone to the wrong place, but where was I?

Whatever safety statistics show, I take comfort from Heathrow's chapel — being at the foot of the control tower. Missionaries might make many converts if they mingled with the waiting throngs in Terminals 1, 2 and 3. Even the Island Revenue should consider putting conscience boxes labelled "you can't take it with you" at outlets for flights to tax havens.

Not everyone is nervous about flying. You see smiling, confident faces at airports. They belong to people who have just arrived, and have smuggled proper allowance through customs.

The faces were not so happy when I and a hundred other people deplaned last autumn. This was because we had not been anywhere, except to the edge of the runway in an aircraft too faulty to take off.

We were treated with well-drilled efficiency, relieved temporarily of our cheap liquor and given a hearty meal. Since we were scheduled to have at least three meals during our 12-hour flight, this seemed absurd, but we ate dutifully. It would have been more relaxing if we had joined in a brisk game of handball, or been allowed to get at our duty-free.

Fortunately, airlines are now paying almost the same attention to speeding people through terminals as through the air. You know the subject of being taken seriously because jargon has been

invented for it, with talk of landside planning as well as airside.

It is uphill, unrewarding work. As Rusk said in an earlier age of transport innovation: "The whole system of railroad travelling is addressed to people who, being in a hurry, are therefore, for the time being, miserable. It transmutes a man from a traveller into a living parcel. Carry him safely, dismiss him soon; he will thank you for nothing else."

Heathrow is admittedly more comfortable and interesting than when the only entertainment was a slot machine dispensing instant insurance. But I do not think

Mr Norman Tebbit would approve of the shop selling "I hate work" T-shirts.

Perhaps the answer to his productivity problem lies in harnessing the hours of boredom endured by waiting passengers. Surely everyone would be eager to join in rug-making groups, or a candy-floss manufacturing cooperative.

The energy generated by children running up and down escalators, if diverted to a treadmill, would light the whole of Heathrow. Sedentary customers might like to enter a competition for designing the ideal terminal lounge.

Patrick O'Leary

BRITISH RAIL'S RAPID CITY LINK: GATWICK AIRPORT AND LONDON

- * Frequent service: approximately every 15 minutes.
- * Journey time about 40 minutes.
- * 1st and 2nd class accommodation on trains.
- * Part of the train incorporates special luggage racks.
- * Ease and speed between Airport and London Victoria.
- * Other direct services to Reading (for Midlands, South Wales, South West) and twice daily to Birmingham and Manchester.
- * Modern reception terminal at Gatwick.

Gatwick is London's only British Rail-linked Airport.

This is the age of the train

Security Openings for crime

Even before the creation of the first modern police force, society recognized the need to guard its ports and travellers. While the Metropolitan Police is little more than 150 years old, its river police dates back to the time when a small force of men were employed to guard the numerous wharves and berths of the Thames in the eighteenth century.

Compared with the security operation required at a modern international airport the work seems primitive. The perimeter at Heathrow is maybe little more than 16 miles long but within its confines there is a working population of 55,000 serving millions of passengers as dozens of aircraft land and take off each hour.

The international airport of the 1980s is a volatile concentration of potential crime, ranging from the mundanities of pickpocketing to terrorism attacks and hijacks. The security task is a complex blend of preventive and reactive policing.

For much of the past decade the question of terrorism has dominated many security operations, resulting in protection as overt as the permanent military guard at Alderney Airport, Northern Ireland, or covert but constant planning against terrorist attacks elsewhere. London has never suffered the airport attacks seen at a number of other airports in Europe and the Middle East but exercises are held every year by the police and military authorities.

Some security officers believe that a general tightening up on passenger movement has in fact reduced the terrorist risk. The widespread use of X-ray machines and body searches has reduced the chances of weapons being brought on to aircraft or into departure lounges but there are a number of smaller airports where security arrangements still create weaknesses.

The airports themselves are possible targets for attack, with vast areas which make it difficult to keep track of the constant traffic of airport workers and the public. Most terminals are now carefully patrolled both by police and security firms but on more than one occasion in recent years attacks have been attempted against buildings or aircraft. At Heathrow the perimeter road is very close to the runways and the public can drive through without obstacle.

The ordinary criminal can also make use of the accessibility of public sections of the airports. The battle against pickpocketing and theft is a constant task. Each summer police forces issue warnings to the public as a series of gangs travel across Europe at the height of the holiday season to take their pickings from the crowds. Some are suspected of passing on money and valuables to accomplices in each country before flying on to the next destination, crossing the Continent in a matter of days.

There is also the battle against pilfering, sometimes vast, within the private area of airports where cargo is stored or in transit. The

constant stream of luggage and cargo disappearing from Heathrow has earned it the name of "Thiefrow". The threat has disappeared on larger aircraft with the use of containers which have made the chances of opportunist pilfering more difficult. The use of such systems, however, may mean lost time and extra costs.

Apart from security systems, airports have to rely on the police. At Heathrow, the Metropolitan Police has a force of 300 officers and there are guards from many security firms operating for various airlines. In some other countries national forces have aviation branches or frontier police. At Schiphol, in The Netherlands, the police are part of the aviation section of the national police force. Sometimes a force guards both air and sea ports. In New York protection is provided in this way.

Whatever the force, the sprawl of airports created ad hoc to meet growing air traffic, has not helped their job. But even with compact modern airports there is no way of adequately controlling public access without increasing costs and reducing the time savings of air travel. There is often public complaint about the search procedures already used by airlines.

As it is, the levy raised on passengers in this country totalled £37.5m in the last financial year at a cost per individual of £1.40p.

Stewart Tandler
Crime Correspondent

Roger Woolnough on the problems of technological advance

Not all systems go

Every air traveller knows that the greatest risk is at take-off and landing. Confidence is engendered by the fact that few accidents actually occur, and by the awareness that the latest technology is being used to maintain safety standards.

What is not always realized is that the most advanced electronic systems, which get most of the Press and television coverage, may have to wait years before they are installed, and some airports may never use them at all. For those responsible for operating airports have to take cost-effectiveness into account, as well as the issue of safety.

Technology for technology's sake has no place in aviation. Even those developing countries which could afford it, such as the oil states, avoid unnecessary technology not only because it is expensive, but because they do not have the skilled manpower to operate and maintain it.

Even so, a major airport will have an impressive array of technical equipment for handling aircraft and passengers. This ranges from electronic navigation and air traffic control systems, through radio communication systems, visual landing aids, meteorological services, passenger information systems

such as flight indicators, boards, closed-circuit television and public address.

The systems are there because they serve a purpose specific to that airport, and are chosen on strict considerations of volume of traffic, topography, weather conditions and similar factors.

An example is Instrument Landing Systems (ILS). British Airways has led the world by adopting Category 3 ILS, which brings a plane right down to a blind landing. This has allowed Tridents to use Heathrow in conditions which have caused every other airline to divert to the Continent. However, there is no point in an airport installing this equipment if it never has low cloud of fog in the Gulf, for instance. In fact, a small proportion of airports throughout the world have been equipped for CAT 3 landings.

Every so often the aviation world indulges in a highly charged controversy about the next step in technology. It was landing systems which generated the heat for much of the 1970s. The battle was to install international recognition for a British or an American Microwave Landing System (MLS), which will eventually replace the VHF/UHF ILS that has been in use since the late 1940s.

More than three years after the American system was

chosen by the International Civil Aviation Organisation (ICAO), some people are wondering what all the fuss was about. Because of the time taken up with wrangling, and then in the further development needed for the chosen system, the industry has been forced into a further generation of ILS. It could now be well into the 1990s before present systems are replaced.

What is happening with MLS is contrary to what many people expected. The interest is among the developing states and the smaller airlines. Financial constraints are one reason for this, but the sophistication of modern ILS often means that it is difficult to make out a case for MLS.

Where MLS scores in particular is in the ability to allow curved approaches and departures, which are not possible with ILS. This means that MLS can open up a lot of airports which it has not been possible to instrument until now.

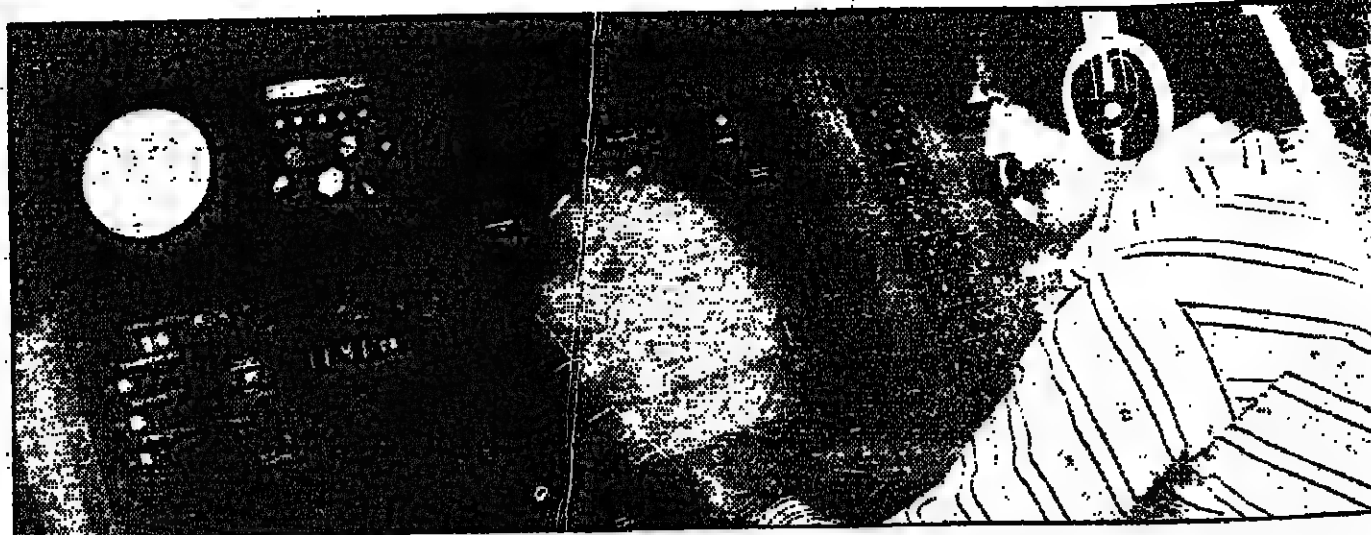
Radio communications in the airport are being affected by digital techniques. So far this has not made much difference to the way the radio is used, but the availability of data links could mean that voice communications will become less, and more ground-to-air traffic will be put into data form.

Within the airport itself, computers and data communications systems are increasingly used in day-to-day management and planning.

Some of the most advanced systems in today's airports are related to automatic weather sensing and to disseminating data concerned with weather forecasts. Problems such as wind shear, which at some American airports can have a disastrous effect on aircraft during their final approach, are among the major areas of research at present.

All airports, whether they are world crossroads such as Frankfurt and Schiphol in Amsterdam, or remote strips amid jungle or mountains, have to react to changes in international air travel. Many have not yet caught up with the last generation of big jets, yet the plane now on the drawing board will be in service well before the end of the 20-year life usually expected for an airport under construction today.

The complex timescales of aircraft generations and airport lifetimes have a direct bearing on the implementation of the latest electronic systems. It would be misleading to say that everyone proceeds at the pace of the slowest, but certainly the gap between the research laboratory and active service can stretch to years.



Seeing you down safely: The control room at Gatwick

Day out among the duty-frees

continued from page 15

solidly as a battleship, it took the British Airports Authority months, if not years, to bring it up to date recently, but the space available to capitalize on non-aviation activities, such as shops and restaurants, remains negligible. Airports or airport terminals built or planned in the late 1970s throughout the world have all incorporated the twin aims of being expandable, and of enabling the travelling public to spend its money while awaiting flights. These include terminal four at Heathrow, terminal two at Gatwick, Changi (Singapore), Dubai, Abu Dhabi, New Jiddah Inter-

national, Atlanta and Dallas/Fort Worth, in the US, and Hong Kong.

How far should this principle of entertaining (and dunning) the passenger go during the sometimes lengthy waiting periods at airports? There must come a moment when the popularizing of such facilities begins to attract outsiders into it to sample the shopping, eating and drinking, so slowing up the basic task of processing passengers, and adding to the operating costs.

There is even a futuristic school of thought among airport planners which says that airports should not be used as waiting rooms, but

simply as places where the aircraft arrive, are serviced, and depart. Passenger loads would be assembled at sites miles away, either in or just outside the city centres which the airports serve, and then brought forward in batches to coincide precisely with the time at which their airliner is ready to leave.

Such a plan was actively promoted by the Greater London Council in its original scheme for a third London airport. The take-off point would have been Maplin, on the Essex coast, but passenger loads would be made up at a terminal in the East End of London. The GLC has since espoused Stansted as the most

suitable third London airport site.

Off-airport terminals for either passenger and freight have a brave new world ring about them. It seems certain that airline users will, for the foreseeable future at any rate, continue to find their way into the world's airports, varying in style from the super-modern to the outdated and totally inefficient, and that those who run the airports will continue to have to face the problems posed by processing and entertaining a quart of passengers in what is only too often a pint pot.

Arthur Reed



How not to fly through a departure lounge

Airports employ a bewildering array of devices in an attempt to persuade the traveller that their heart's desire is to gratify his smallest whim. Whether they succeed is a different matter.

The cachet which was once attached to the very term airport, in the days when people like Terence Rattigan could write *The V.I.P.s*, a glossy piece of nonsense about the glamour of being fogbound at Heathrow, is, thank goodness, long gone. The departure lounge is now strictly classless and when one realizes that Britain's fourth largest airport is Luton, that direct line to Alicante, it becomes clear that the feigning of jetting will no longer win admiring glances at parties.

No, the modern airport is somewhere to be visited briefly, and one of the things that demands to be boarded is a queue. If you do, try using the static path running by the creature's side and you will notice an interesting phenomenon. It is quicker to walk.

These fascinating horizontal escalators can be viewed in many airports nowadays, and in some you can even see them working. If you do, try using the static path running by the creature's side and you will notice an interesting phenomenon. It is quicker to walk.

Unless, of course, you happen to be pushing an errant luggage trolley. The people who run Heathrow are an inquisitive bunch and once set about finding out why so many of their trolleys behave erratically. For the uninitiated, I should perhaps explain that a fully loaded Heathrow trolley has the manoeuvrability of a mechanical crab. It will go in any direction but forward. Heathrow's gallant, scientist duly descended and discovered the problem. It should come as no surprise to learn that the villain of the piece is luggage. Push an unladen trolley and it will go with you to the ends of the earth; load it up to the gills and it becomes as surly as an ill-tempered donkey.

This problem should not afflict British Rail's latest gadget to shuttle folk between Birmingham airport and the adjoining National Exhibition Centre and railway stations.

Those busting to make this 600-metre journey at 30 mph in a 30-passenger electric train floating on air will have to wait until 1984 for the opportunity. The system was pioneered by that cheerful scientist from our television screens, Professor Eric Laithwaite, of London's Imperial College. For the technically minded, the railway works on magnetic levitation and a linear induction motor. The first suspends the carriage half an inch above the rail, the second pushes and pulls it on its way.

The journey takes 90 seconds unless the fuse blows. Those who suffer from a morbid fear of flying, or "realists" as they are known in technical circles, might find this a useful way of breaking themselves in for greater leaps into the air.

Catering arrangements offer something of a challenge to the frequent traveller. Should he plump for breakfast at Kuwait when the offering is bludgy described as "Foul Medames"? (Yes, if he wants a sort of Middle East version of fried breakfast.) Is it worth negotiating an exchange rate with the counter staff to get rid of that pile of unwanted Burmese kyats for a can of beer? (Only if you know what you're doing.)

Food, as they say, is very much a matter of personal taste. There is a school of thought which says that no one need ever eat at the airport, when one bears in mind the weight and variety of plastic-wrapped edibles that are likely to be proffered during the flight.

But this does not take into account the fact that much of what is placed on your lap in the air may be inedible. The trouble is the same can sometimes be said for earth-bound culinary delights. In the experience of this traveller, airport cuisine has reached its heights at Bangkok's Don Muang and its nadir at New York's JFK.

And here is an important point in the ranking of airports. Try as they might to exude some hint of national character, they in reality, outside the economic and social life of the country they represent.

A wealthy but introverted nation such as the United States is dotted with functional airports which slip out of the memory the moment you leave them. A poor but outward-looking place like Thailand will attempt to capture you from the moment you land.

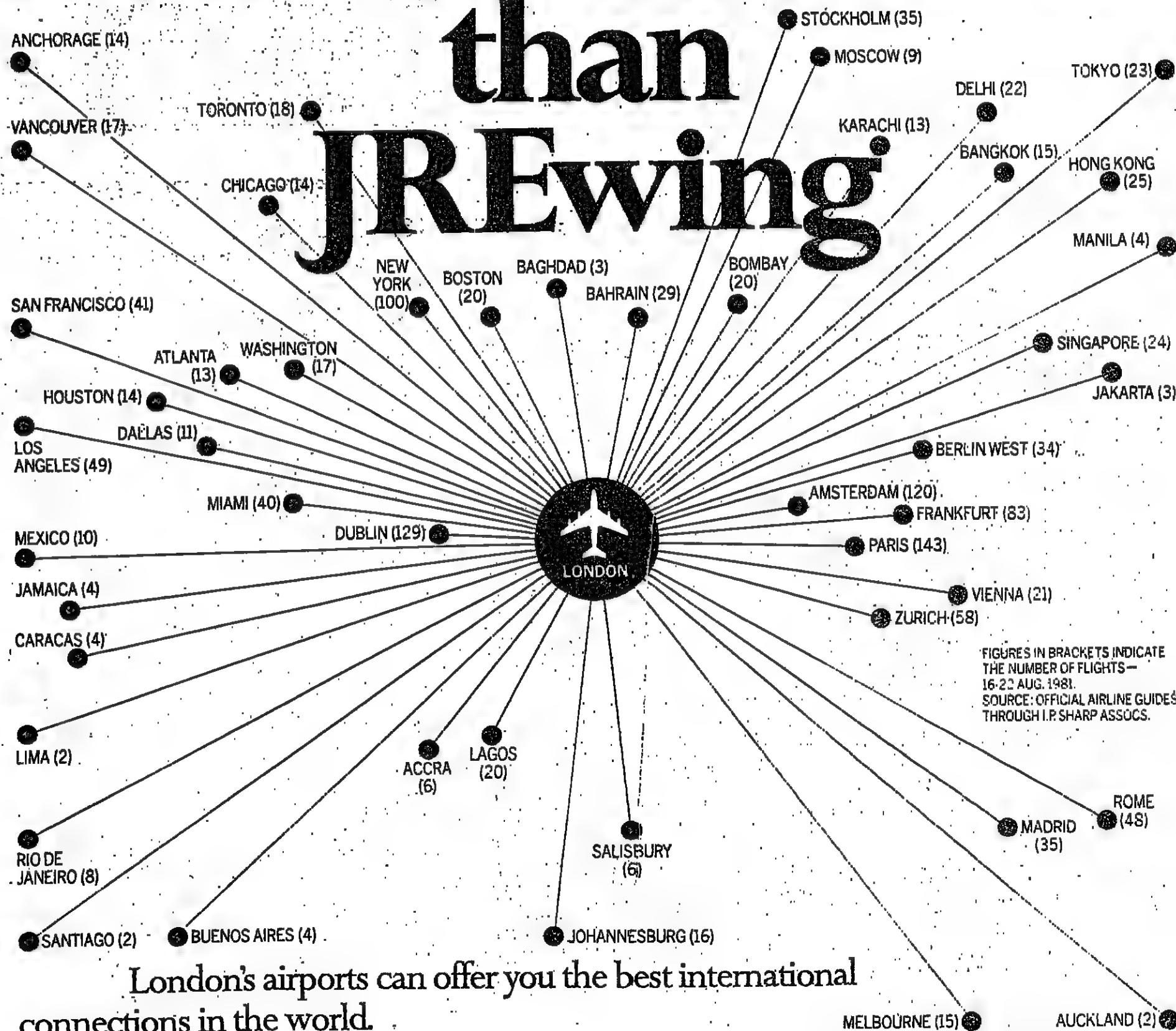
This situation becomes most apparent in the oil-rich states of the Middle East where airport design has reached new heights of architectural grandeur. The result, in terms of shifting passengers, are probably as awe-inspiring as any in the world.

The only difficulty arises when the vastness of the airports surpasses the needs of the airlines. One Gulf state, Sharjah, went out of its way to erect a new airport when it felt it was being outdone by its neighbours. The result is a spectacular creation of minarets and marble, but it is sadly short of visitors.

A tale told by local newspaper folk, probably, but not necessarily apocryphal, describes the day a visiting reporter phoned the airport and asked for an interview. "You couldn't make it tomorrow," replied the harassed executive. "I'm very busy — I've a plane coming in."

David Hewson

More connections than JREwing



FIGURES IN BRACKETS INDICATE THE NUMBER OF FLIGHTS — 16-22 AUG. 1981. SOURCE: OFFICIAL AIRLINE GUIDES THROUGH I.R. SHARP ASSOCS.

London's airports can offer you the best international connections in the world.

With over 2,400 weekly flights to 230 overseas destinations, Heathrow and Gatwick can offer you more direct flights to more places more often.

Access to and from both airports is simple and fast. Once in London, Heathrow is a tube ride away; and Gatwick has a rail service every 15 minutes during the day and hourly through the night.

There are also good road links—both airports are adjacent to motorways. Good air links—both airports have excellent feeder services with the regional UK airports. And there's a helicopter link between the two airports.

So if you're flying long distance, use the best connections in the world.

British
Airports

Heathrow Gatwick

DOMESTIC AND CATERING

EXPERIENCED

REQUIRE
First baby, County House
from London. Please
salary for fifth person.
in rooms in hotel.
reference for personal
over and employed, Postings
this January.

Telephone:
Basingstoke 21506

LEGAL NOTICES

the Mayor of SHELLEIGH
of the DISTRICT OF THE
OF THE COMPANIES ACT
1909

Notice is hereby given that
the provisions of the above-
mentioned Act, being VOLUN-
TARILY WOUND UP, are re-
quired to be read before the
Members of the said firm of
Christian and Sarsons, there-
in and descendants, their
heirs and assigns, and all
the names and names of

of the said Company, and, if required by police in writing,

their Solutions, or possibly
their names, debts or claims
at such time and place as
specified in such notice. Shall
it then be found that the
debts or claims are in fact
in the benefit of said Solution,
then the said debts or claims
before such debts are proved,
on this day, may be of October

E. SWADEN
Liquidator

**Re MATTHEW MEUBENS RES-
TANT Limited and its ASSETS
& COMPANIES ACT 1948.**

**NOTICE TO CREDITORS AND
HOLDERS** Hereby given that the
Liquidator of the above named
Company, which is being wound
up, has received from the Com-
missioners of Inland Revenue
before the 14th day of Octo-
ber, 1961 to send in their
claims and descriptions, their
debts and descriptions, and
their names and addresses, of
the names and addresses of
Solutions in relation to the
above named company, to the
Liquidator, at the offices of
of 514 Broadway, New York,
U.S.A. on or before the 14th
day of November, 1961. The
said Company is a LIQUIDATION
said Company.

Notice in writing from
the Liquidator, to come to
their Solutions, or to come to
their names and debts or claims
at such time and place as
specified in such notice.

Dated this 5th day of October
1981.

[illegible]

Friday, 13th November, 1981

underlined Ian Peter
F. A. PHILLIPS
New Cavendish House, 19
Avenue Street, London, W.C.2
and to the said creditor
and if so required by
the said creditor to sign a
statement to the said cred-
itor as to come in and
pay the said debts or claims at
the time and place specified
in such notice or in default
thereof to be excluded from
the benefit of the said Statute
if such debts are proved.
Dated this 2nd day of October,
1948.

IAN PETER PHILLIPS, F.A.
Liquidator

Matter of NOVELTY TRIM-
MINGS, Limited and
MATTER OF THE CHAMBER-
LAIN, Limited

Whereby given that the
LIQUIDATORS of the above-named
companies are about to VOLUN-
tarily WIND UP the same and
before the 17th day of
November 1948, have been
Christian and strangers, their
names and descriptions, full
names, names and addresses of
the said companies and of the
said liquidators, the undersigned
Stephen Daniel Swaden,

notice in writing from the said
their Solicitors, to come in and
prove their debts on or before the

[illegible]

ACT, 1948
Notice is hereby given that the

13th November to send names and addresses of persons who are to be considered under signed Andrew Sozal, and to attend the meeting on 23rd, 24th and 25th of October, under the sign of the LIQUIDATOR of the company and if you are not a creditor, or a creditor is to come in from the office of the Liquidator at such time and place as you may desire, and such notice shall be sufficient to prevent removal thereof they will be bound from the benefit of any notice that may be afterwards served.

And this 2nd day of October, 1903.

ANDREW SOZAL
Liquidator

ALBERT & SON (Belchers)
NOTICE IS HEREBY
outstanding to Section 234 of
the Companies Act 1862, that
that of the CREDITORS of
the company are to be
at the offices of Leonard
& Co situated
at Strand, London W.C.2
on the 23rd day of October
1903, at 10 o'clock, to
consider the proposed
proceedings provided for in sec-
tions 234, 244 and 256 of the said
Act.

And this 5th day of October

LAINÉ, BROUSE & CO., Limited
Notice is hereby given pursuant to

[illegible]

ENNETH RUSSELL CORK, F.C.A.
Guildhall House, 81/87 Gresham
Street, London, E.C.2. Tel. 3301.

24, Victoria Street, London
 W.1, have been appointed
 LIQUIDATORS of the above
 Company WITH A COW-
 OF INSPECTION.
 On this 28th day of October
 1961.
 Matter of BLACKWALL
 CO. Ltd. by Order of the
 Court dated the 1st July 1961
 E. S. BUCKLEY F.C.C. of 10
 WILKINSON ROAD, LONDON
 has appointed LIQUIDATOR of the
 above company WITHOUT A
 COW OF INSPECTION.
 1st October 1961.

